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# THE AMERICAN Prospect

LIBERAL INTELLIGENCE

**FEBRUARY 2006**

**Ronald Brownstein:**  
**The Dixie Dilemma**

**Stephen Kinzer on**  
**Turkey vs. Bush**

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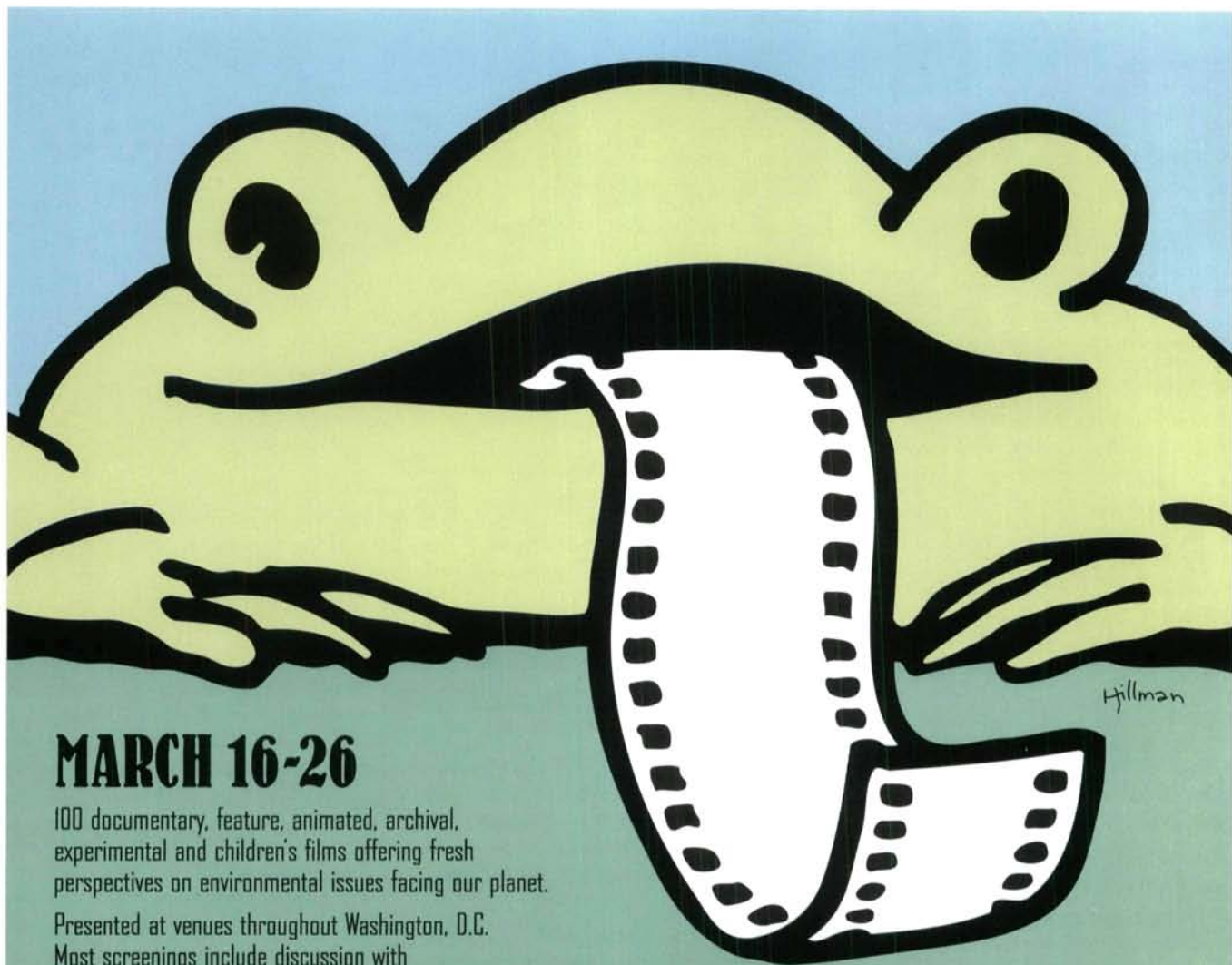


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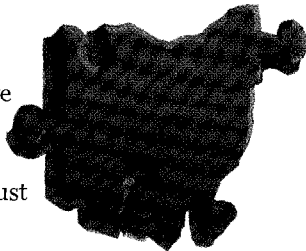
*"Cultural pluralism: It's the air  
we breathe; it's the ground we  
stand on."* — RALPH ELLISON

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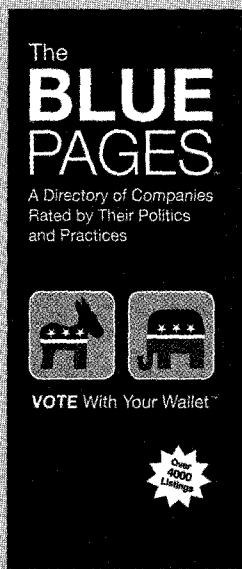
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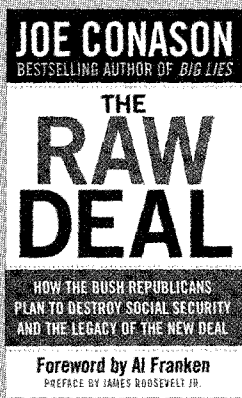
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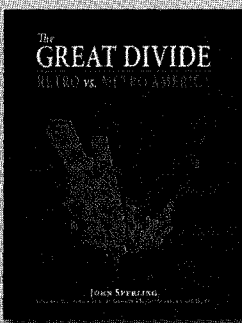
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# Is Corruption Enough?

**T**HE 2006 MID-TERM ELECTION WILL BE AMONG the most fateful in modern history. If the Democrats take back even one house, it will end the period of one-party rule and allow Congress to fully investigate the multiple embarrassments of the Bush administration.

These fall into five broad categories: deceptive and illegal use of presidential power, plain incompetence, outright corruption, needless assaults on liberties, and using government to benefit the few rather than the many. Ripe particulars include the bungling of the planning for the Iraq occupation, the abuses at Guantanamo Bay, the extra-legal spying on Americans, the mess at the Department of Homeland Security, and the sweetheart deal between the administration's Medicare drug program and the pharmaceutical and insurance industries.

Both parties understand the immense stakes. Real investigations of the above would frame how voters view the 2008 presidential election. They might even unearth impeachable offenses. In normal times, one would expect a tidal shift in the House, where every seat is up and a net swing of only 15 seats would shift party control (to take the Senate, Democrats would need to capture virtually every seat in play).

But these are far from normal times and it's not clear that even a steaming mess of corruption, by itself, is sufficient to shift party control. Republicans benefit from a structural tilt. Gerrymandering has made most House seats safe seats. As recently as 1994, when the Republicans picked up 54 House seats, a relatively small shift in public sentiment could translate into a massive swing in representation. Today, the reverse is true. A significant public revulsion against the

Republicans might translate into only a modest change in House seats. Republicans also enjoy superiority in money and party organization.

Many Democratic strategists commend just letting Republicans drown in their own mess. But this is hardly the way the Gingrich insurgents took the House in 1994, or how the great generation of progressive Democratic senators won 16 seats in 1958, setting the stage for John Kennedy's presidential victory in 1960. In both cases, the out-party won by standing for something.

**W**ILL THE DEMOCRATS learn from history? Exhibit A is the "Innovation Agenda" unveiled by House Democrats to great fanfare last November. A common denominator for liberals and New Dems, it included benign ideas funded at modest levels like educating 100,000 new math and science professionals and bringing affordable broadband to every household. All that was lacking, amid the wonky detail, was ideological clarity or much to inspire ordinary voters.

Exhibit B is the chorus calling on Democrats to embrace fiscal prudence and Burkean conservatism against Republican radicalism. Reining in Bush's fiscal excess is certainly necessary. It just

doesn't add up to a compelling program. If it did, Walter Mondale would have been elected president in 1984. Bill Clinton achieved fiscal probity, but he ran and won in 1992 on a program of honoring and serving the working family. In that election, the fiscal hawk was Ross Perot, who finished a distant third.

One emblematic issue is the Medicare drug fiasco, now frustrating tens of millions of senior voters and their adult children. The Bush program, costing more than \$720 billion over a decade, was designed as a cynical boondoggle to the drug and insurance industries. It is a perfect example of why some programs are done more efficiently by government, and why the right sees the public sector as a trough for business allies rather than as a servant of ordinary people. It beautifully illustrates the core differences between the two parties.

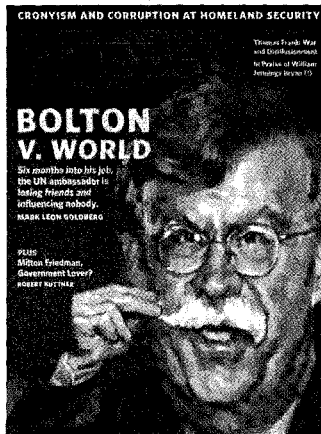
There's a simple two-part fix: Replace Bush's plan with a comprehensive drug benefit under public Medicare; pay for the famous doughnut hole—the gap in benefits—by restoring Medicare's right to negotiate bulk-drug discounts as veterans hospitals do. Rep. Jan Schakowky has a bill to do this. Let's see whether it becomes part of the official caucus program.

In the 1952 election, Republicans seemingly did well with the slogan, "Korea, Corruption, and Communism." In fact, the Truman administration wasn't especially corrupt, and Korea was less of a debacle than Iraq. But after the Democrats' 20-year run, voters were ready for change. Ike, a war hero and essentially nonpartisan figure, overwhelmingly won the presidency. The GOP barely took both houses of Congress, and for just one term.

If Democrats wish for a landslide repudiation of Bush and DeLay, convictions of corrupt Republicans could get them part of the way. Some convictions of their own could help even more. **TAP**

— ROBERT KUTTNER

*Just letting  
incumbents drown  
in their own mess  
seldom produces  
decisive victories  
for the opposition.*



*The problem ...  
Linda Hirshman  
describes has  
dogged capitalism  
since Adam Smith.*

— MARGARET GARRY  
VIA E-MAIL

## For the Record

I WAS SHOCKED BY THE gross inaccuracies in Sarah Posner's article ("Security for Sale," January 2006). Posner never contacted Alutiiq to verify the statements she published, and she did not accurately portray the important work Alutiiq performs on behalf of the U.S. government. For example:

- Posner states that "Alutiiq was in bankruptcy a few years ago." Alutiiq has *never* been bankrupt, nor have any of its subsidiaries or its parent company, Afognak Native Corporation.
- Posner incorrectly states in her article that Alutiiq is a "partner" of the security firm Wackenhut. Alutiiq is a prime contractor and Wackenhut is a subcontractor, a normal occurrence in government contracting.
- Posner questions the quality of our security guard services, citing a report by the Service Employees International Union (SEIU). What Posner fails to mention is the SEIU has been fighting to unionize Wackenhut and has made baseless allegations about Alutiiq to pressure us to drop our contract.
- Posner implies that Alutiiq and/or some other Alaska Native Corporations (ANCs)

serve as fronts for large companies who take advantage of special privilege provided only to ANCs. This is false. Like all businesses under the Small Business Administration's 8(a) Business Development Program, ANCs are required to perform over 50 percent of the work on a service contract and therefore cannot be fronts. Like all government contractors, ANCs have the ability to create joint ventures and partnerships, which are subject to formal review, approval, and scrutiny of the SBA.

• Posner makes a generic reference that ANCs delivered an average of "\$283 per shareholder." Had she contacted us, she would have learned that during the last two years, the average Afognak shareholder received \$38,500 in dividends, for a total distribution of \$19.4 million to all Afognak shareholders. In addition to dividend distributions, each year Afognak Native Corporation provides scholarships, internships, job training programs, and preference in hiring to all shareholders and descendants. Curiously, all of this information was left out of Posner's article but a generic reference to "\$283 per shareholder" and the (grossly inac-

curate) salary of its chief executive officer was left in.

The Alaska Native Claims Settlement Act (ANCSA) settled the traditional land claims of Alaska's indigenous peoples. In exchange for our claims against the state of Alaska, Alaska Natives received: 1) the creation of Alaska Native Corporations; 2) a small cash settlement; 3) the opportunity to pursue business enterprises like government contracting; and 4) a fraction of our traditional lands. Posner's article fails to mention the historical sacrifices Alaska Natives have made in return for the ANC contracting arrangement.

The participation of America's indigenous peoples in the 8(a) program is part of the federal government's fiduciary responsibility to provide for a sustainable Native economy as required by treaties, the constitution, statutes, and court cases. Afognak Native Corporation's annual revenues, dividends, scholarships, cultural and social programs, and job opportunities for shareholders and their families are an indication of the success of ANCSA and the 8(a) program. These are federal Indian policies that work and must be preserved.

SARAH L. LUKIN  
*Corporate Communications  
Manager, Alutiiq, LLC*

**Sarah Posner responds:** I apologize for my factual error in stating that Alutiiq had been bankrupt. The remainder of Ms. Lukin's letter, however, does not call the veracity of my reporting into question, and misstates the content of the piece. Contrary to Ms. Lukin's suggestion, I did not

imply that ANCs are "fronts"; Ms. Lukin uses that word but nowhere in the piece could it be inferred that the ANC contracting edge is illegal. ANCs do in fact receive special (and legal) contracting privileges, such as unlimited no-bid contracts from the federal government. The question raised—through lawmakers of both parties and nonpartisan government watchdogs—is whether the law ought to be changed, not whether the law is being broken. No one I spoke to questioned what I called the "laudable" goals of the ANC program.

With regard to describing Wackenhut as Alutiiq's "partner" rather than "subcontractor," I did not intend "partner" in the legal sense, but in the generic sense that the two companies are working together. I fail to see how this description would leave a reader with a more or less negative impression of the relationship. Finally, as to the compensation issues, I obtained the figure about Mr. Kaser's salary from Afognak's (Alutiiq's parent) 2005 Proxy Statement.

## Who Loses?

THOUGH I BELIEVE THE current data in Linda Hirshman's article "Homeward Bound" (December 2005), I also fear that getting all women out of the home and into the boardroom may yield consequences just as disastrous as leaving them to rot with dirty diapers and tattered copies of *Dick and Jane*.

The problem with the scenario that Hirshman describes is one that has dogged capitalism since Adam Smith. For every winner, there must



be a loser. For every woman who is both a mother and the head of a Fortune 500 company, there must either be a father who stays at home deprived of self-actualization, or a nanny or daycare provider who depend on taking care of children for their livelihood.

These women who invoke their "choice" to stay at home with children enact a system of domestic socialism, volunteering to lose so that someone else can win. Their husbands are able to devote more time to business and garner more prestige and wealth for the family, and their children benefit from having an intelligent, educated person who is the primary nurturer. Their former employers can hire someone who won't have to miss work every time (or every other

time, assuming equitable distribution of parenting tasks) little Timmy runs a fever and can enjoy the relative increase in productivity that follows by reaping the benefits of these women's voluntary disqualification from the rat race.

That being said, I agree with Hirshman's entreaty to young women. I wouldn't dream of giving up my self-actualization in order to "manage the butter." With some hard work, admission to the proper law school and a little luck, I aim to be part of the 16 percent mentioned within the article. Good for selfish me, but if an entire generation of women does this, what does that do for our society as a whole other than shift who the losers are?

MARGARET GARRY  
Via e-mail

#### Linda Hirshman responds:

I want to congratulate Garry, for thinking up the idea of the family as a cooperative venture, in which people try to do things they cannot do alone. It was a similar theory that won economist Gary Becker the Nobel Prize a few years ago. The idea is that if both adults work together, and especially if one specializes, say, in childrearing while the other specializes in investment banking, they will have more stuff ("surplus") than if each of them tried to both bank and rear children.

But as Garry suspects, the mere production of more surplus does not address the issue of how the surplus is divided, and one may even be a net loser, even though the family has more stuff. My

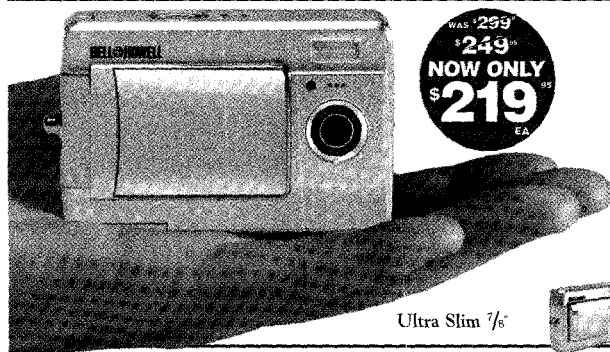
point was that laying all the housekeeping/ childrearing on one person makes them a loser in the race for a flourishing life. And it is worse because it essentially always turns out to be the female who gets the short straw. But it is not a zero sum game.

The solution is for the burden to be shared around, so householding will be more in the manner of leisure activity, something it is good to do part time but that you don't want to make into an entire life. And no one will be a loser. Except maybe that boss who wants you there 24/7.

*Letters to the editors should be sent to [letters@prospect.org](mailto:letters@prospect.org) or mailed to The Editors, The American Prospect, 2000 L St., NW, Suite 717, Washington, D.C. 20036.*

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# Up Front



## SEASON OF THE RAT

**T**HE CODE OF OMERTÀ HAS BEEN SHATTERED. BIG JACK Abramoff has cracked; the feds will make him tell all. And up on Capitol Hill, on the Republican side of the aisle, it soon will be the season of the rat.

The prosecutors will begin with the small fry. The staffers will sing first (the notion that any former DeLayista would actually do time for Tom strains all credulity). That was how Archibald Cox, John Sirica, Sam Ervin, and Woodward and Bernstein brought down Nixon; it was how Rudy Giuliani got the Gambinos. There are, of course, subtle gradations here. Can a lesser congressman deal to bring down a greater one? Can Bob Ney offer up Tom DeLay? Now that *Time* has reported that Duke Cunningham wore a wire during his final weeks on the Hill, we know that the feds show some consideration to members who record their colleagues' deepest meditations on how to get a Redskins skybox when their bundlers are in town.

Indeed, the *Prospect* predicts that the mere thought of a wire-wearing colleague will bring all normal Capitol Hill discourse to a shuddering halt. The entire Republican delegation—230 congressmen, 55 senators—will soon end all their sentences with the magic words, “but it would be wrong.” Which, if appended to their statements of support for the nutso policies they advocate—the war, tax giveaways to the rich, privatizing Social Security—would be, well, right.

— HAROLD MEYERSON

### THE ANOINTED

Three evangelical ministers applied holy oil to the seats and doors of the Senate Judiciary Committee's hearing room the week prior to Sam Alito's nomination hearings. Isn't it alarming how much of the news these days seems like fodder for an H.L. Mencken column?

### THE SEASON OF GIVING

Ohio House minority leader and Democrat Chris Redfern put aside past grievances this Christmas and helped out his Republican colleagues in a time of need. The Ohio House held its annual Christmas party at the Buckeye Hall of Fame Café, where Ohio State stars past and present are celebrated. When it came time to pay, the Republicans were embarrassed to find that their credit card had been rejected. Redfern, who recently became the state Democratic Party chairman, offered to pick up the full tab for the evening, including the \$3,900 owed by Republicans. Fortunately, the GOP made no offer to repay Redfern with rare coins.

### THEY GO HUGO

Here at the *Prospect*, we bow to no one in our long-standing admiration of Global Trade Watch, the offshoot of Public Citizen that, along with the AFL-CIO, has led the way both in opposing the corporate model of globalization and positing a more demo-

cratic one. So we were a little taken aback recently when we received an invitation to a reception celebrating GTW's 10th anniversary, to be held at the Venezuelan Embassy. The cause of fair trade seems embattled enough without GTW aligning itself with the neo-semi-demi-Peronista regime of Hugo Chavez. Given GTW's keen public-relations sense, we're grateful the North Korean Embassy was already booked.

### TOUCHY FEELY

New Mexico governor and likely presidential hopeful **Bill Richardson** is known as a glad-handing pol of the old school. But an alarming recent *Albuquerque*



*Journal* report underscores the thin line between backslapping bonhomie and clinical mania. The state's Democratic lieutenant governor, Diane Denish, described Richardson's habit of poking and pinching her in a nonsexual—but incessant—manner when he's bored. “He pinches my neck. He touches my hip, my thigh, sort of the side of my leg,” Denish told the *Journal*. With his spokesman Pahl Shipley, Richardson's favorite move is to lick his finger and smudge Shipley's glasses. All the touching is “my way of lessening tension,” the governor says. There's nothing more tension-filled than a presidential campaign; if



## THE QUESTION: IF YOU COULD SECRETLY WIRETAP ONE PERSON, WHOM WOULD IT BE?

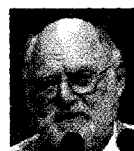
"Grover Norquist. I'd really like to know how that bizarre combination of ideological certitude and lack of ethics works. Is he cynical? Greedy? In denial? What a psychological study!"

— **Molly Ivins**, columnist



"Myself, because I don't believe in invading anybody's privacy but my own; also because I'd like to know if I really said that stupid thing."

— **Victor Navasky**, publisher emeritus, *The Nation*



"I think I will pass since I have rather strong feelings about wiretapping, and secretly recording people. :-)"

— **John W. Dean**, former Nixon White House counsel, via e-mail



Richardson runs in 2008, his primary opponents should be on the lookout for errant wet willies and wedgies.

### OUR NATION'S ELITE AT WORK

How many leading pundits and rising stars of intellectual journalism does it take to push an elevator button? At a recent lunch held at the Hoover Institution, an elevator ride saw David Brooks, his assistant, and *The Atlantic Monthly's* Ross Douthat go to the top, return to our floor, and allow three *American Prospectors* and *The Nation's* Ari Berman to hop on. The elevator then returned to the top, headed to floor five, stopped at floor two, went back up one, and finally reached the lobby, where the doors opened, quickly closed, and then finally opened again. Best line? Brooks, when asked how things were going, quipped, "Oh, you know, up and down." Our side countered with, "Someone should show some personal responsibility and push 'lobby.'" You be the judge.

### RUBIN-ESQUE

American Enterprise Institute resident scholar Michael Rubin is best known to the world as an apologist for Ahmed Chalabi, and best known to denizens of 2000 L Street for his habit of smearing *Prospect* writers. But he also turns out to dabble in undisclosed conflicts of interest. "I'm not surprised this goes on," Rubin told *The New*

*York Times* by way of dismissing its December 1 investigation into the Bush administration's use of the Lincoln Group to plant bogus news stories in the Iraqi press without disclosing the U.S. government connection. "Information operations are a part of any military campaign." Rubin didn't see fit to mention the fact, reported in a January 2 *Times* story, that his travels in Iraq were paid for by ... the Lincoln Group! He conceded that when he travels he "normally" receives "a per diem and/or honorarium" but wouldn't discuss the details of his arrangement with Lincoln.

### KNOW THY CONSTITUENTS

D.C. Councilman and former



D.C. mayor **Marion Barry** was mugged in his apartment in early January,

and he assured the at-large assailants during a press conference that he wouldn't press charges. Barry then went above and beyond the ordinary call of duty for political candor in explaining his personal sense of betrayal at being victimized: "There is sort of an unwritten code in Washington," he said, "among the underworld and the hustlers and these other guys, that I am their friend." What's notable is that this very sentence, word for word, could plausibly have come from any number of Republican leaders in Congress. Different hustlers, of course.

### SPEAKING OF HIS HONOR ...

Barry, of course, is famous for the quote: "Bitch set me up."

Well, **Lonnie Latham**, a Baptist pastor in



Tulsa, member of the executive committee of the Southern

Baptist Convention, and occasional inveigher against the evils of homosexuality, now knows how he felt. On the night of January 3, Latham was "pastoring to police," as he put it, in Oklahoma City when he was arrested on a lewdness charge. The gendarmes say Latham had in fact propositioned an undercover male officer outside a hotel, allegedly asking the officer to join him in his hotel room for some oral sex. This confirms our long-held suspicion here at the *Prospect* that the Oklahoma City Police Department is a hotbed of Godless liberalism. We'll be sending comp subscriptions.

### TAKE MY OPINIONS ... PLEASE

In a recent study, Jay Wexler, a law professor at Boston University, tackled one of the more pressing matters facing the nation: Supreme Court laughter. Wexler's study, which was published in the law journal *The Green Bag*, found that Justice Antonin Scalia's comments elicited 77 "laughing episodes" during oral arguments in the 2004-2005 term, making him, we suppose, the funniest Supreme Court justice. At the other

end of the laughter spectrum, Justice Clarence Thomas finished the term with the fewest laughs, at zero (the number would surely improve—intentionally or not—if he ever opened his mouth). Wexler noted that these laughing episodes were brought on either by genuine humor or just plain anxiety. Or, perhaps in Scalia's case, on the merits of his arguments.

### ARMIES OF COMPASSION

George W. Bush's empathic relationship to our fighting men and women knows no bounds. There they are, over in Iraq, risking life and limb, stiffed on body armor. And here is Bush, living the comfortable and protected life a president leads. But does that prevent our president from feeling the troops' pain? Why, read these actual remarks he made while visiting wounded troops at the Brooke Army Medical Center: "As you can possibly see, I have an injury myself—not here at the hospital, but in combat with a cedar. I eventually won. The cedar gave me a little scratch. As a matter of fact, a colonel asked if I needed first aid when she first saw me. I was able to avoid any major surgical operations here, but thanks for your compassion, colonel." Wonderful. We hear he suffered a few nicks and splinters when he lost a wrestling match to a barstool back in his Air National Guard days, too. **TAP**

# The Progressive Generation Gap

BY MARK SCHMITT

**N**OT LONG AGO, I ATTENDED A MEETING OF 20 OR so progressive advocates and experts on a major policy issue. I looked around the room and realized that I was, I'm quite sure, the youngest person there. And that's happened before. But I'm 43 years old. It's fun to

feel like a prodigy, but I'm not.

In other settings, such as among bloggers, I'm the oldest. But rarely, on the cusp of middle age, do I find myself in the middle of a broad range of ages, or in a room dominated by my coevals.

There's a reason for this, and it's rarely talked about publicly: the great progressive generation gap. Between the two great cohorts of progressive thinkers and activists—those who came of age in the late 1960s or early 1970s, and those who became active in the last five or ten years—there is an astonishing absence of those of us in our late 30s to mid-40s. We are the Michael J. Fox generation (recall his young conservative character in the '80s sitcom *Family Ties*). It was during our college years that the right built its army. For those of us who were in college then, there was comparatively little to inspire activism. And if you don't become politically engaged and active in your early 20s, it's unlikely you will later.

**L**IKE RINGS ON A TREE THAT INDICATE years of drought or extreme cold, that phenomenon of the 1980s is still visible in the structure and assumptions of progressive politics today.

The two great cohorts of activists on which the progressive infrastructure is built each have their own experiences and perspectives. The older group built most of the great organizations of the left—the legal-assistance infrastructure, the great mass-membership organizations, the con-

sumer movement, the major women's groups, and so on. Some of them held positions in the Carter or Clinton administrations, while others founded organizations that continue to thrive. Reflecting the collegiate population of the time, and the barriers to law school and other opportunities, the majority are white and from relatively middle-class backgrounds.

Then there is a much younger group that came of age in the era of Newt Gingrich, the Clinton impeachment, George W. Bush, and the Iraq War. The only model of political success they know is the lockstep army of the current Republican majority; their model of ineptitude is the institutional Democratic Party and liberal establishment. Their organizational model is MoveOn.org, not Common Cause. They are as impatient with single-issue politics as with cautious establishment politicians. And, reflecting the great demographic and social changes in higher education in the last four decades, they look, shall we say, a little more like America.

**T**HE ASSUMPTIONS WE DEVELOP IN our 20s about the way things work are hard to shake. The Boomers, despite disappointments, preserve an inherent

sense of hope in incremental progress—if mainstream politics doesn't work, the courts will; if the courts don't, the media will—that younger activists lack and that seems out of place at the moment. Younger activists, on the other hand, while not revolutionary, see much more value in grassroots organizing around fundamental change. But they don't have many models for success.

The bridge generation has something to contribute here. We've seen models of political success as well as failure, such as the early Clinton years. We have different perspectives on feminism, the role of litigation and research, and the nature of membership organizations. This generation should be serving as mentors for the younger generation, which in its turn will build a progressive movement as creative and expansive as that of Boomers. And, in the fight of our lives for the fate of the country, any movement needs more people who are in that middle zone, energetic and experienced.

Yet, apart from our sparse numbers, I worry about this middle generation. Sure, we bring a useful perspective—chastened by failure but not cynical. But we, too, are shaped by the assumptions of our 20s, and our formative decade was a dreary, materialistic one. Both the Boomers and Gen Y have a galvanizing experience at their backs, from which both generational cohorts will continue to derive inspiration and passion. Do we have enough of that naive passion for social justice that motivated both our elders and our juniors?

But perhaps we are entering a golden moment, where the Boomers are still making important contributions, the generation that was politicized by Bush is gaining the experience to build its own movement, and those of us in the middle can help translate, mediate, and put the pieces together. It's a needed role. I'd just feel better if there were more of us. **TAP**

*Lots of Boomers,  
lots of Gen-Yers;  
but what is to  
become of the  
Michael J. Fox  
generation?*



# Send Up the Clowns

BY MAUD NEWTON

**I**T COULD PROBABLY BE SHOWN BY FACTS AND FIGURES that there is no distinctly native criminal class except Congress," Mark Twain once observed. Computations remain to be performed; investigations have not been completed. But with GOP heavyweights jettisoning

Jack Abramoff's contributions faster than you can say "cooperating with prosecutors," history may prove Twain right. Again.

Twain may be known for one thing among eighth-grade readers. But for those of us who need someone to make sense of a reality in which fiction is constantly presented to us as fact, Twain's bulldozing satire—he excelled precisely at exposing the nonsensical while pretending to embrace it—offers both stinging insight and singular comfort.

Most satire dates. Twain's is so timeless it could have been written last month. And in a world where the vice president fights tooth and nail to exempt the CIA from anti-torture laws while maintaining that the CIA does not engage in torture, I wish to God some of it had been.

*King Leopold's Soliloquy*, a century-old meditation on Belgium's rape of the Congo, hilariously presages the Bush administration's doublethink rhetoric about the "progress" being made in Iraq. The king bemoans the "tiresome chatterers" who expose to the world his darkest motivations but don't balance them with the noble ones; who complain—just substitute "democracy" and "elections" for "religion" and "missionaries"—about "how I am wiping a nation of friendless creatures out of existence by every form of murder, for my private pocket's sake, and how every shilling I get costs a rape, a mutilation, or a life. But they never say, although they know it, that I have

labored in the cause of religion at the same time and all the time, and have sent missionaries there ... to teach them the error of their ways and bring them to Him who is all mercy and love, and who is the sleepless guardian and friend of all who suffer."

Twain's attacks on religious zealotry remain particularly relevant on the intelligent design front. "Was the World Made for Man?," like most of his best satirical works, refutes the very premise it ostensibly serves, the belief that man alone was created in God's image. "[I]t took 99,968,000 years to prepare the world for man, impatient as the Creator doubtless was to see him and admire him," Twain writes. "But a large enterprise like this has to be conducted warily, painstakingly, logically. It was foreseen that man would have to have the oyster." It takes 19 million years for God to produce the oyster, which then concludes that all that had come before was "a preparation for him." Isn't that "just like an oyster," writes Twain, "the most conceited animal there is, except man?"

The two themes of war and religion are brought together in "The War Prayer," a scabrous, dual-fronted attack

on war and narcissistic blind faith. It depicts a messenger from God who appears in a church as the congregation prays for victory and who puts words to the unspoken parts of the prayer: "O Lord our God, help us to tear their soldiers to bloody shreds with our shells; help us to cover their smiling fields with the pale forms of their patriot dead; help us to drown the thunder of the guns with the shrieks of their wounded, writhing in pain; help us to lay waste their humble homes with a hurricane of fire; help us to wring the hearts of their unoffending widows with unavailing grief; help us to turn them out roofless with their little children to wander unfriended the wastes of their desolated land in rags and hunger and thirst, sports of the sun flames of summer and the icy winds of winter, broken in spirit, worn with travail, imploring Thee for the refuge of the grave and denied it—for our sakes who adore Thee, Lord, blast their hopes, blight their lives, protract their bitter pilgrimage, make heavy their steps, water their way with their tears, stain the white snow with the blood of their wounded feet!"

The media have recovered some of their critical faculties in recent months. But they haven't changed *that* much; whenever George W. Bush or Dick Cheney calls the sky green and the grass blue, they continue to report it with a straight face.

There's no better offensive against right-wing absurdity than satire. We've got Jon Stewart's swift one-liners,

*The Onion's* sometimes brilliant lampoonery, and James Wolcott's scorn-drenched blog. They all help. But the sharpest sword is still one that's a century old. If you're looking for someone who really sends up the clowns, read Twain. **TAP**

*Maud Newton is a writer, editor, and former attorney who quotes Twain too frequently on her blog, MaudNewton.com.*

**What did Samuel Clemens know about George Bush, Dick Cheney, and their supporters? Almost everything.**

## **ANOTHER "DRUG BABY" MEDIA SCARE?**

**By Barry Lester, PhD, Director, Infant Development Center,  
Women & Infants Hospital, Providence RI**

Recently (July 27, 2005), Medical News Today (MNT) carried a story with the alarming title, "Single prenatal dose of meth causes birth defects." Join Together, a prominent website, published a summary of the story with a similar headline and opening with the possibly more inflammatory, "Pregnant women who use methamphetamine even once put their unborn children at risk of birth defects" (July 29, 2005). **These headlines misleadingly imply that the research involved women when it actually involved mice, and both the original story and the Join Together summary failed to mention that this animal research may have little if any bearing on the health outcome of humans prenatally exposed to methamphetamines...**

Animal research has always been critical for understanding human problems.... But there are also limits to applying animal findings to humans.

This is one of the lessons we learned from the hype that surrounded the media-created "crack baby" of the 1980s. The media was quick to report early animal studies suggesting that prenatal exposure to cocaine caused serious and irreversible defects in children. The first round of human studies also predicted dire consequences. But these studies were preliminary and flawed. The results of larger, well-controlled studies failed to find any of the serious defects or malformations shown by the early animal studies or human studies...

**Nevertheless, in response to this alarmist reporting, our nation became very angry with mothers who used cocaine during pregnancy and wanted them punished for harming their unborn child. Mothers were prosecuted instead of being offered treatment, and record numbers of children were removed from their biological mothers overburdening an already overburden foster-care system...**

But what does this kind of animal research tell us about human babies? That question was addressed in March 2005 by a U.S. Department of Health and Human Services expert panel reviewing the literature on methamphetamine. They concluded that this kind of mouse study -- that uses direct injection into the peritoneum -- is not relevant to humans because pregnant women don't inject the drugs they are dependent upon into the peritoneum -- the membrane that surrounds the fetuses they are carrying...

The entire article is at [www.jointogether.org/y/0,2521,578073,00.html](http://www.jointogether.org/y/0,2521,578073,00.html)

**Common Sense for Drug Policy**

**[www.CommonSenseDrugPolicy.org](http://www.CommonSenseDrugPolicy.org) [www.DrugWarFacts.org](http://www.DrugWarFacts.org)**

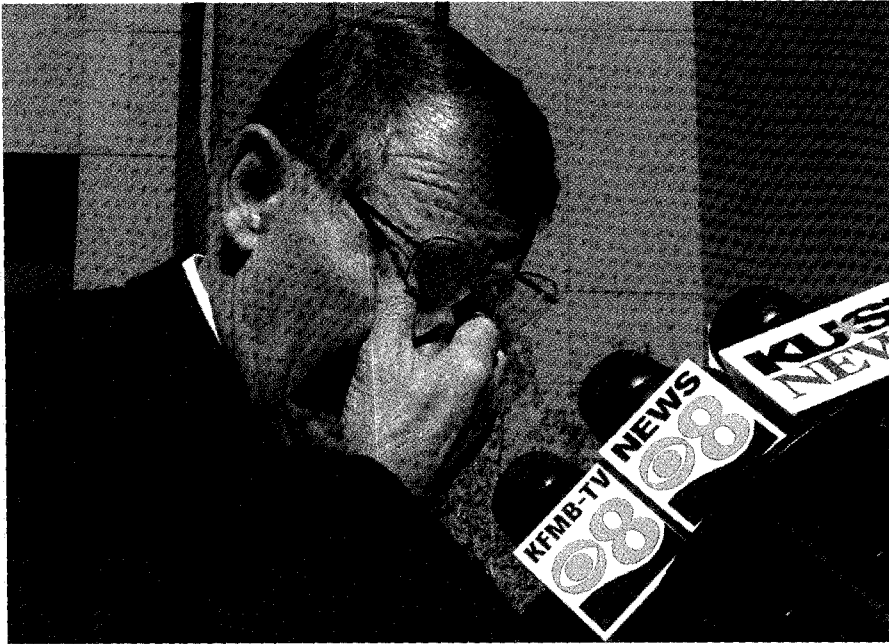
**H. Michael Gray, Chair; Robert E. Field, Co-Chair**



# Dispatches

*"The connection between the two bears examination—because Silberman pioneered the arguments Yoo now advances."*

— PAGE 16



**Cry Me a River:** Did Cunningham help friends win sensitive intelligence contracts?

## GOP SCANDALS

### "DUKE" OF DECEPTION

*The overlooked security implications of the Cunningham scandal*

BY LAURA ROZEN

ON ITS FACE, THE CORRUPTION scandal involving California Congressman Randy "Duke" Cunningham, the former Vietnam War ace fighter pilot who pled guilty in November to accepting \$2.4 million in bribes from defense contractors and others seeking his favors, would not seem to have the elements of a decent spy novel. As the story of a congressman for sale—a staunch Republican and former Navy "top gun" sitting on the House Intelligence and Appropriations Committees—the Duke's downfall looks like just another case of Capitol Hill corruption, albeit on an outlandish scale.

But in the Cunningham case nothing is quite what it seems. Two months have

passed since he pled guilty to taking more bribes than any other legislator in U.S. history, yet no more indictments have been issued, not even against the four people described as "co-conspirators" in the Cunningham plea agreement. No other shoes have dropped—until now.

On January 6, 2006, *Time* magazine reported that in the days before Cunningham's plea agreement was publicly announced, he had been wearing a concealed recording device. "The identity of those with whom the San Diego congressman met while wearing the wire remains unclear, and is the source of furious—and nervous—speculation by congressional Republicans," *Time* wrote. To whom had

Cunningham led the FBI as part of his cooperation agreement? A recent story in the *Los Angeles Times* cited Cunningham's attorney, K. Lee Blalack, as saying Cunningham had not recorded any other "public officials," but declined to clarify whether he had recorded others. The implication of the two reports is clear: Prosecutors have further targets in their crosshairs beyond Cunningham. In law enforcement, the standard procedure is for prosecutors to haul in the little fish first in order to net the big fish later. So there was something peculiar about the Cunningham case, where such normal logic had seemingly been turned on its head. Here the big fish—a ranking Representative—had pled guilty before the businessmen from whom he had admitted taking bribes. What the *Time* report suggests was that Cunningham might not be the biggest fish in this case after all.

The Cunningham case has revealed several lawmakers worthy of investigative scrutiny. Two men described but not named as co-conspirators in the original indictment—Brent Wilkes, the chairman of San Diego-based defense contractor ADCS Inc., and Mitchell J. Wade, the founder and until recently chairman and president of defense and intelligence contractor MZM Inc.—donated "more than a million dollars in the last ten years to a roster of politicians," including contributions from their employees and company political action committees (PACs), according to the Center for Responsive Politics. In some instances, those donations seemed to track closely with appropriations recommendations from politicians that benefited Wilkes' and Wade's companies.

Among the pols of potential interest to investigators is Representative Tom DeLay, whose Texans for a Republican Majority fund-raising committee received a \$15,000 donation in September 2002 from Perfect Wave Technologies, a sub-

sidiary of Wilkes' corporate umbrella, the Wilkes Corporation. Through another Wilkes' subsidiary, Perfect Wave also hired a lobbying firm, Alexander Strategy Group, set up by DeLay's former Chief of Staff Ed Buckham, and which employed DeLay's wife Christine, to lobby successfully for Perfect Wave to receive a Navy contract. In December, the Austin, Texas, District Attorney Ronnie Earle—already pursuing a campaign-finance case against DeLay—subpoenaed documents from Wilkes, Perfect Wave Technologies, ADCS, and associated companies. Popping up again on the radar as well is Congressman Bob Ney, the Ohio Republican who, like DeLay, is simultaneously under investigation in the rapidly expanding Indian gaming case that has led to guilty pleas by lobbyist Jack Abramoff and PR Executive Michael Scanlon. On October 1, 2002, Ney inexplicably entered praise of a San Diego-based charity headed by Wilkes, the Tribute to Heroes Foundation, into the *Congressional Record*—the same kind of service Ney performed for his benefactor Abramoff on more than one occasion.

Extensive reporting published by the *San Diego Union-Tribune* indicates that several other Republicans in southern California's congressional delegation may have drawn the attention of investigators in the Cunningham case. Among them are Representative Duncan Hunter, identified by a Defense Department Inspector General report—along with Cunningham—as actively intervening with the Pentagon to try to award a contract to a document-conversion company that had given him tens of thousands of dollars in campaign contributions for a program the Pentagon did not request or consider a priority; Representative Jerry Lewis, chairman of the powerful House Appropriations Committee, on which Cunningham sat; and former Congressman-turned-lobbyist Bill Lowery.

As the *San Diego Union-Tribune* reported in December, "Lewis has green lighted hundreds of millions of dollars in federal projects for clients of ... Lowery. Meanwhile, Lowery, the partners at his firm, and their clients have donated 37 percent of the \$1.3 million that Lewis' political action committee received in the past six years. ... [Lewis and Lowery

have] exchanged two key staff members, making their offices so intermingled that they seem to be extensions of each other."

According to the Center for Responsive Politics, Lewis has also accepted more than \$60,000 in campaign contributions from Wilkes, Wade, and their companies' PACs over the years—money that he, like several other representatives and senators, announced would be donated to charity on December 6, after Cunningham's guilty plea. But in more significant ways, Lewis' reaction to the bribery revelations has been nothing short of peculiar.

There's little doubt that Cunningham, who sat on the defense appropriations subcommittee, possessed sufficient influence to steer defense contracts to those from whom he has admitted taking bribes. In repeated interviews with *The American Prospect*, however, the press spokesman for the Appropriations Committee has indicated that Lewis has decided to only "informally" investigate those "programmatic recommendations" made by Cunningham in the past—although Cunningham himself has admitted corrupting the program process. "There is an informal review going on," committee Spokesman John Scofield explained in December. "It's not something we had made a big announcement on."

This casual attitude contrasts starkly with the reaction of Michigan's Peter Hoekstra, the chairman of the House Permanent Select Intelligence Committee (HPSCI), the other committee on which Cunningham sat. Hoekstra has announced a thoroughgoing investigation of any corruption of the Intelligence Committee's work that Cunningham may have perpetrated, complete with a request to the Justice Department for a nonpartisan investigator to be seconded to the committee's probe.

"The chairman [Hoekstra] is very upset by this," said Jamal Ware, a spokesman for the House Intelligence Committee. "He wants to be certain that there was no attempt to do anything wrong to his committee. He honestly believes that given the very sensitive nature of what this committee does, there has to be certainty that there was no attempt to manipulate certain processes or abuse any information."

**H**OEKSTRA'S SPOKESMAN HINTS AT an area of concern that has scarcely been mentioned on Capitol Hill: the devastating counterintelligence questions raised by the Cunningham matter.

Viewed as a corruption case, the Cunningham matter has an arc that suggests the possibility of more high-profile indictments to come. But looked at from a counterintelligence angle, it is even more disturbing. The case is still more worrying if it is turned around, and focused not only on the congressman for sale, but on the defense contractors and foreign-linked financiers who cultivated Cunningham—and potentially other lawmakers—precisely because of their position on the Intelligence and Appropriations Committees.

Cunningham has admitted taking \$2.4 million in bribes from two men who sought and received not only U.S. government contracts, but particular types of contracts. They were awarded defense and intelligence contracts, including counterintelligence and counterterrorism programs so sensitive their precise details are confined to those with security clearances. As Cunningham himself bragged in a February 8, 2001, letter to defense contractor executives after he was appointed to the Intelligence Committee, "I feel fortunate to represent the nation's top technological talent in the 'black' world," the *Los Angeles Times* reported. His letter went on to say that given his new position on the Intelligence Committee, Cunningham "appreciated the opportunity to work with you on key service funding priorities ... [and] greater opportunities to work together in support of our national security and intelligence communities."

Some of the contracts awarded to companies whose executives Cunningham has admitted accepting bribes from are both national-security sensitive and highly controversial. Indeed, MZM Inc., the company founded and until recently chaired by Wade, the alleged number-two co-conspirator from the Cunningham plea agreement, has an active contract from the Pentagon's troubling Counterintelligence Field Activity (CIFA) agency to conduct domestic surveillance



on Americans, according to *The Washington Post's* Walter Pincus.

Since Wade's exposure in the Cunningham case and subsequent departure from the company, MZM Inc. has undergone financial restructuring and a name change to Athena Innovative Solutions—which also has a contract from the Pentagon to run something called the Foreign Supplier Assessment Center in Martinsville, Virginia. What does that organization do, exactly? Opened in October 2004, the Foreign Supplier Assessment Center “is meant to check on the ownership of foreign companies that contract with the Defense Department,” *The Washington Post's* Jeffrey Birnbaum reported.

It's worth noting that, according to the Center for Responsive Politics, Wade, MZM Inc., its corporate PAC, and MZM Inc. employees together contributed a total of \$94,426 to Virginia Representative Virgil Goode Jr., who slipped the request for the creation of the Foreign Supplier Assessment Center to be run by MZM into the classified portion of a 2003 defense spending bill. (Martinsville happens to be in Goode's district.) He did so despite the fact that, as Birnbaum reported, the center was “not a Pentagon priority and was not requested by the Defense Department.” And MZM also has a widely reported contract to provide linguists to Iraq to participate in interrogations of prisoners.

As for Brent Wilkes—the chairman of San Diego-based ADCS Inc., identified in press reports as “co-conspirator #1” in the Cunningham plea agreement—he has been best friends with the third-ranking official at the Central Intelligence Agency since their days on the Hilltop High School football team in Chula Vista, California (as *The American Prospect* and *San Diego Union-Tribune* have previously reported).

So close are Wilkes and Kyle Dustin “Dusty” Foggo, the executive director of the CIA, that they named their sons after each other and share a private wine locker at Washington's Capital Grille restaurant. The *Prospect* has previously reported allegations that a Wilkes-affiliated company called Archer Logistics, headed by Wilkes' nephew and former ADCS employee Joel G. Combs, received a contract from the CIA.

The third alleged co-conspirator in the Cunningham plea agreement, Thomas T. Kontogiannis, a Long Island-based, Greek-born financier and real-estate developer, was picked up in Athens by the private plane flying Cunningham and Calvert to Saudi Arabia in December 2004. Accompanying the group—and paying for the trip—was Ziyad S. Abduljawad, a naturalized American of Saudi origin living in San Diego. Calvert's press spokesman told the *Prospect* that no staff members went on the trip, during which the congressmen met with “the former Crown Prince, who is now King,” as well as several other Saudi ministers and business leaders.

“The purpose [of their trip] was to improve relationships between Saudi Ara-

fense and intelligence contracts. Who is investigating whether such companies should be performing such controversial tasks as conducting domestic surveillance on peace groups for the Defense Department? Who is investigating whether MZM and its successor Athena Innovative Solutions should be evaluating which foreign companies supply weapons to the Pentagon—when MZM may have gotten the initial contract through dubious means?

A close reading of the 33-page Cunningham plea agreement raises troubling questions about the relationships that connect Wilkes, Wade, Kontogiannis, and those whom the Cunningham plea agreement describes as “others.” The indictment describes multiple instances

***Brent Wilkes and “Dusty” Foggo, who is No. 3 at the CIA, are so close that they share a private wine locker at Washington's Capital Grille restaurant.***

bia and the U.S.,” explained Calvert's spokesman in an e-mail. Such a broad-minded purpose is notable coming from Cunningham, who launched his political career in 1990 by outraging local Arab Americans “with a brochure bearing the picture of Libyan leader Moammar Gadhafi that accused his Egyptian-born opponent of having been influenced by oil interests,” as reported by the *San Diego Union-Tribune*.

As for Kontogiannis, he previously pled guilty to bid rigging in a 2002 case involving a Queens, New York, school district. The *New York Post* reported that in 1994 Kontogiannis pled guilty to visa fraud, after he and an official from the U.S. embassy in Athens were arrested. His wife's nephew, John T. Michael, is described as co-conspirator number four in the Cunningham plea agreement. Michael officially heads the mortgage company, Coastal Capital Corporation, used to launder the bribes to Cunningham by Wilkes and Wade.

What does all this unappetizing detail mean? It is clear that companies belonging to Wilkes and Wade received a few hundred million dollars in sensitive de-

when Wilkes and Wade used companies owned by Kontogiannis and his wife's nephew essentially as the banking vehicles to launder bribes to Cunningham through the purchase of real estate, boats, and other valuables. In other words, Wilkes and Wade would seem to have had some degree of knowledge of Kontogiannis being central to the corruption scheme. While we know how companies belonging to Wilkes and Wade benefited from their bribes to Cunningham—with several hundred millions of dollars in sensitive U.S. government contracts—it is still opaque what precisely Kontogiannis got out of the Cunningham arrangement. One is left to wonder what other interests Kontogiannis may have been representing, interests which could have benefited from his favors to Cunningham in ways that have not yet been revealed.

In short, who is investigating the counterintelligence implications of this case to protect against potential breaches of U.S. national security? **TAP**

*Laura Rozen is a Prospect senior correspondent.*

## TURKEY

# INDEPENDENCE DAY

*Turkey, a longtime U.S. ally, now pursues its own path. Guess why.*

BY STEPHEN KINZER

ANKARA—

**O**VER THE PAST HALF-CENTURY, the United States has had few more faithful allies than Turkey. Beginning with the legendary bravery that Turkish soldiers showed while fighting alongside Americans during the Korean War, and extending through Turkey's long membership in NATO and its unfailingly pro-Western stance during the Cold War, the alliance has remained strong despite a host of challenges.

Both sides are eager to maintain the relationship, but the policies of the Bush administration are making that steadily more difficult. Turkey is more self-confident than it once was, and increasingly willing to reject policies set in Washington if they seem inimical to Turkish interests. In particular, Turkey is pursuing its own path with regard to Iran and Syria; and the reason Turkey is moving gingerly away from its longtime ally is no surprise.

"This is an unintended consequence of the Iraq war," said Sahin Alpay, a professor of political science at Bahcesehir University in Istanbul. "America has contributed to Turkey running away from America. Ankara still wants good relations with Washington, but on its own terms. That's a new situation."

Turkish-American relations reached a high point in 1999, when Bill Clinton made a highly successful visit to Turkey, and Turks cheered the United States for defending Muslims in Bosnia. Today, many ordinary Turks feel an intense and visceral dislike for George W. Bush, largely because they hold him responsible for casting Iraq into a pit of violence in which tens of thousands of Muslim civilians have been killed.

"The war angered every significant political group in Turkey, from Islamists to leftists to nationalists," Soner Cagaptay, director of the Turkish Research Program at The Washington Institute for Near

East Policy, wrote in a recent paper. "Even many secular-minded and formerly pro-Western Turks now oppose much of Washington's Middle East policy."

Shortly before the United States invaded Iraq in 2003, the Turkish parliament turned down an American request for permission to launch part of the invasion from Turkey. That action led Paul Wolfowitz, then the undersecretary of defense, to lament that the Turkish military "did not play the strong leadership role ... that we would have expected." Many Turks took that remark as a call by Wolfowitz for Turkish generals to resume the suffocating control over the country that they had maintained for decades, or even to stage a military coup, and they were outraged. Their anger intensified when Secretary of Defense Donald Rumsfeld suggested that Turkey was partly responsible for the strength of the insurgency in Iraq, since "if we had been able to get the 4th Infantry Division in from the north through Turkey, more of the Iraqi Saddam Hussein Baathist regime would have been captured or killed."

Widespread popular anger over the Iraq War, fueled by comments like these, has allowed the government of Prime Minister Recep Tayyip Erdogan to chart a new and more independent foreign policy. Turks cheer when he takes steps that seem to conflict with American policies.

**O**NE OF THE MOST STRIKING DIFFERENCES that has emerged between Washington and Ankara is the way they approach Iran and Syria. The disdain that Turkish leaders feel for the Iranian and Syrian regimes nearly matches that of the Bush administration. Turks, however, believe the United States is dealing with this challenge in precisely the wrong way.

The Bush administration's policy toward Iran and Syria is to have no policy. Its

leading figures, including Bush himself, want only to isolate these two countries. They hector, threaten, accuse, and demand, but steadfastly refuse to engage or negotiate. Secretary of State Condoleezza Rice has gone so far as to declare publicly that the United States will refuse to join European countries trying to strike a deal with Iran, once bluntly asserting that "there is no U.S.-European proposal to the Iranians. ... There isn't and there won't be."

This kind of talk drives Turks to distraction. Turkish leaders believe that the Iranian and Syrian regimes will become steadily more dangerous if they are treated as pariahs. Instead, they want to intensify relations with both countries, trade with them, and do everything possible to strengthen their middle classes and civil institutions. Erdogan has visited Damascus and Tehran, and in both cities he signed a series of agreements with government leaders. When President Bashar al-Assad visited Ankara last year, he was given a royal welcome. Trade between Turkey and Iran has more than doubled since 1999; trade between Turkey and Syria has more than tripled.

Turkish leaders, who maintain close ties to Israel, strongly condemned the recent declaration by Iran's new president that Israel should be "wiped off the map." They deeply disapprove of Iran's nuclear ambitions and of Syria's reluctance to cooperate with investigators who are probing the assassination of former Lebanese Prime Minister Rafik Hariri. Yet while the United States considers these affronts to be further proof that Iran and Syria must be isolated from the world community, Turkey sees them as evidence that engagement with those countries is urgently necessary. It is a foreign-policy version of the classic advice Don Corleone gave his son in *The Godfather, Part II*: "Keep your friends close, but your enemies closer."

Some Turks are so outraged by Bush administration policies that they would be ready to support almost a complete break with Washington. Government leaders are far more prudent. In a series of interviews, I found them eager to avoid offending the United States, but nonetheless quietly determined to go their own way in the Middle East, even if that



means contradicting American policy.

Foreign Minister Abdullah Gul told me that he saw no "suspicion or lack of confidence between Turkey and the United States," but added a classic diplomatic circumlocution: "We exchange views on certain issues." I asked him if policy toward Syria and Iran was one of them.

"It's natural to want to have good relations with neighbors, without interfering in their houses," Gul replied. "Having a neighbor is not like being in the army, where your service ends after two or three years. You cannot change geography or destiny. It is our people's right to do this. Does this mean we have sympathy with every regime? That's something different. But why should we be afraid of having relations with our neighbors?"

FOUR YEARS AGO, A TURKISH PROFESSOR of international relations named Ahmet Davutoglu published a dense, 680-page book called *Strategic Depth*, which argued for a new, independent Turkish foreign policy. Erdogan was so impressed with it that, after taking office in 2003, he hired Davutoglu as his chief foreign-policy advisor. Over tea in a hotel lounge one evening—officials in Turkey's religious-oriented government frown upon alcohol—I asked Davutoglu why Turkey is so much more eager for dialogue with Iran and Syria than the United States is.

"Turkey has suffered because we had bad relations with our neighbors," he told me. "We lost the whole decade of the 90s because of this. Now we want stable, peaceful relations. We share the view that regimes in some countries should change, but this should be done by peaceful means. You cannot transform a society just by eliminating a single political leadership. True change takes time, and comes by encouraging the development of a middle-class and civil society. This may not be consistent with the American policy of an 'axis of evil.'"

Davutoglu was careful to say that he hoped Turkish and American policies in the Middle East could be "complementary," which I took as an admission that they are quite different. Astute Turks who are not part of the government, and thus free to speak more directly, told me there

is great popular support here for Turkey's newfound independence.

"This government is trying a multi-lateral foreign policy, which the Americans don't like at all but most Turks think is great," said the newspaper columnist Haluk Sahin. "There is no anti-American feeling in Turkey, but people hate George Bush and his style. ... People don't really like Syria or Assad, but they're against U.S. interference in Syrian affairs and would be very opposed to any U.S. military intervention in Syria. It's opposition to America rather than any sympathy with Syria or Iran."

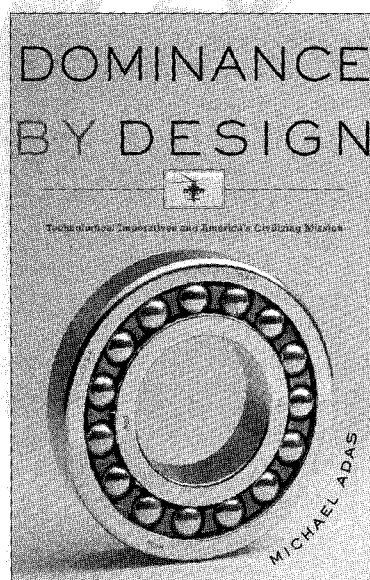
FORTUNATELY FOR THE UNITED States, the current Turkish government does not want to break openly with Washington. If a more populist regime were to come to power, however, it would find considerable popular support for doing so. "This is a very troubled relationship, but both sides need each other on certain issues," said Cengiz Candar, a

journalist and author who has decades of experience covering the Middle East. "They diverge on more and more issues, but they still recognize that they have some fundamental interests in common."

Officials in the Bush administration seem to consider Turkey's moves just another example of how the rest of the world misunderstands American benevolence. A wiser reaction would be to reflect on whether the United States has something to learn from Turkey. During the Cold War, American officials, most notably Henry Kissinger, sought to influence the world through powerful regional allies like Iran, Zaire, and Indonesia. A new version of that policy might work in the modern era. Instead of tying itself to odious dictators, and taking their advice on how to deal with regional issues, the United States might find a new set of regional allies more in line with traditional American principles. Turkey would be an ideal one.

When the United States finally re-

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treats from its current certainty that it knows what is best for every country in the world, it will once again begin taking advice from friends. The advice that Turkey has to offer, and the example it is setting, could provide the basis for a new and more productive American approach to the Middle East. It would require the United States to become less petulant, less demanding, and more patient, but might well produce the results that both Turkey and the United States want.

Such a change in U.S. posture would in no way signify a capitulation to forces of dictatorship. In fact, it would mean the opposite. Turkey is quite unhappy with many aspects of the Syrian regime, and is engaged in a strong though carefully managed competition with Iran for regional hegemony. The Turkish approach to these countries is not aimed at giving their regimes more leeway to repress their people and threaten the region and the world. Turkey has at least as much reason to want "regime change" in Damascus and Iran as the United States does.

But "regime change" need not entail military invasion, the death of thousands, or the blackening of America's name in the world. It can also be achieved through diplomacy, trade, and political engagement. This lesson of history has been proven repeatedly in recent decades. Tyrannies with which the United States maintains relations and approaches with carrots as well as sticks, ranging from the Soviet Union to South Africa to Taiwan, have ultimately emerged from their cocoons. Those the United States treats as pariahs, like Cuba and North Korea, never have. Turkey, counting on centuries of day-to-day engagement with its neighbors in the Middle East, has a lesson to teach other powers about how to effect change there. The United States would do well to embrace its carefully crafted approach to Syria, Iran, and the turbulent countries that surround them. **TAP**

New York Times reporter **Stephen Kinzer** is the author of *Crescent and Star: Turkey Between Two Worlds*.

legitimacy and the system of checks and balances created by the nation's founders. According to Yoo, the Constitution provides absolute power to the president to carry out foreign wars without congressional approval and to simply cast aside treaties ratified by the Senate.

"I'm pretty sure that's an argument no one has ever made before," Yoo boasted to the *Los Angeles Times*. But in fact his claim to exclusive authorship is more than a little inflated. He isn't really the first person to regard the president of the world's oldest democracy as an elected emperor.

That distinction may belong to a Washington jurist whose partisan behavior and irascible temperament have come to symbolize exactly what a federal judge should not be. And Yoo happens to know that particular judge very, very well—because his career began in 1992, when he won a clerkship with the jurist: U.S. Court of Appeals Judge Laurence Silberman. The connection between the two bears examination—not only because Silberman pioneered the arguments Yoo now advances, but because he's still playing a role in the present.

## EXECUTIVE POWER

# THE TORTURE TUTOR

*John Yoo didn't invent excuses for abuse of power. He learned them.*

BY JOE CONASON

**A**S THE AUTHOR OF OFFICIAL memoranda seeking to justify torture, warrant-free wiretapping, detention without trial, and other expressions of lawless power, John Yoo appears to be enjoying his 15 minutes of infamy.

Profiled in the mainstream press, lionized and vilified in the opinion media, Yoo is experiencing a burst of publicity that can only enhance his career—and help promote a new book in which he justifies the supposedly "inherent" constitutional authority of the president to ignore statutes passed by irritating congressional majorities and decisions delivered by meddling federal judges.

Yoo hardly looks like the kind of man who would insist, as he did in a notorious Justice Department memorandum he co-authored while serving in the Office of

Legal Counsel four years ago, on a narrow definition of torture as the infliction of suffering "equivalent in intensity to the pain accompanying serious physical injury, such as organ failure, impairment of bodily function, or even death." With his benignly saturnine face and genteel demeanor, this accomplished son of Korean immigrants is an engaging poster boy for the authoritarian ideology of the Bush administration.

It is important to consider the sources and implications of that ideology, even while we struggle to restrain a presidency running amok. Rather than being the merely pragmatic response to the new problems posed by stateless terrorists after the September 11 attacks that the administration claims, Yoo's advice represents a direct assault on constitutional

**S**ILBERMAN'S OWN CAREER DATES back to the Nixon administration, when he rose to the position of deputy attorney general under John Mitchell. Since then, as he ascended to the federal bench and nurtured the young Federalist Society lawyers like Yoo who arrived in his chambers, Silberman has assiduously promoted the most imperial and Nixonian version of presidential power.

While Yoo's justifications for executive-branch overreaching may sound uniquely farfetched, the truth is that his older mentor long ago marked out the extreme position on this issue. In 1978, when Congress passed the Foreign Intelligence Surveillance Act (FISA) that George W. Bush has admitted violating, Silberman testified against the legislation, saying that it would create an "unconstitutional" hindrance to presidential power. Both branches rejected that opinion when Congress passed FISA and President Jimmy Carter signed it.

Over the decades since then—thanks to appointments by President Ronald Reagan and the late Chief Justice William



Rehnquist—Silberman has risen to one of the most powerful positions in the federal judiciary short of a seat on the Supreme Court. In the meantime, he has earned a reputation as a remorseless, bullying partisan whose jurisprudence is measured to the convenience of his fellow Republicans.

Perhaps the most significant example of such partisan service by Silberman came during the constitutional crisis that endangered Reagan: the Iran-Contra affair. Then, like now, defenders of White House misconduct argued that the president could ignore the will of Congress by secretly arming the contras in Nicaragua and trading arms for hostages with the terrorist regime in Iran.

As a judge on the Court of Appeals for the District of Columbia, Silberman joined with another Reagan appointee to dismiss the felony conviction of Lieutenant Colonel Oliver North won by special prosecutor Lawrence Walsh. Himself a lifelong Republican, Walsh later said he believed Silberman had a conflict of interest that should have disqualified him from hearing the North appeal, and that his open displays of bias at the appeals hearings had reached the level of judicial misconduct. The effect of Silberman's decision in the North case was to allow the Reagan White House to escape the consequences of its blatant violations of law—an outcome in keeping with his anything-goes philosophy of presidential power.

That outlook changed rather predictably when Silberman reviewed the prerogatives claimed by a Democratic president. During the Kenneth Starr investigation, he denounced the Clinton administration's argument that executive privilege should apply to Secret Service agents protecting the president. To him, Clinton's resistance to Starr's prosecutorial excesses amounted to "a declaration of war on the United States" by the president. Such intemperate exclamations are hardly surprising to anyone familiar with Silberman's secret history. As David Brock has written, the judge privately encouraged Brock (in his former life as journalistic hit man) to publish the most salacious, sexually oriented material in *The American Spectator* in order to destroy Clinton.

**T**ODAY, SILBERMAN SITS AS A SENIOR judge on the U.S. Court of Appeals in the District of Columbia. Under a separate appointment by Rehnquist, he also hears appeals from the decisions of the Foreign Intelligence Surveillance Court established under FISA. This is not a terribly taxing job, given the exceedingly rare occasions when that court rejects a government application for a surveillance warrant.

That Rehnquist would have placed Silberman in a position to oversee the workings of the FISA court seems typical of a certain Republican style of governance, which perversely vests responsibility for enforcing federal laws in officials who disdain their purpose. Ruling on a sealed case in 2002, Silberman exploited that position to deliver an opinion that undermined FISA and advanced the imperial executive.

Alluding to the power to collect foreign intelligence information without a warrant, he wrote: "We take for granted

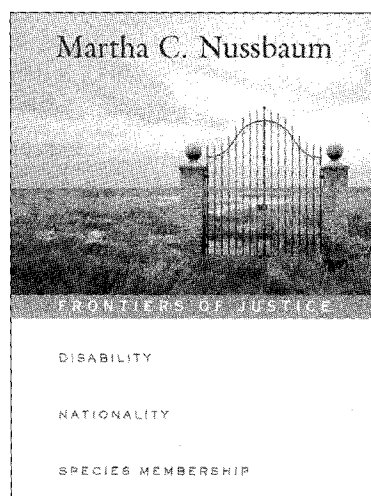
that the President does have that authority and, assuming that is so, FISA could not encroach on the President's constitutional power." Of course, FISA was passed precisely to monitor and limit (or "encroach" upon) the president's undeniable power to detect and deter any threat to the United States. The clear implication of Silberman's obiter dictum—which had no direct bearing on the case at hand—was that FISA itself is unconstitutional and pointless, because the president can wiretap, search, and seize evidence at will in the name of national security.

How do views such as Silberman's and Yoo's become established "law" in an administration? One way is through clerkships of the sort Yoo served—but clerkships with a very select group of judges. An impressive roster of administration officials have clerked for Silberman, in no small part because his clerks routinely win clerkships with Antonin Scalia or Clarence Thomas.

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Yoo clerked for Silberman in 1992 and Thomas in 1994, and accepted a key post in the Office of Legal Counsel in 2001. The importance of that job became clear when, along with fellow Silberman alumnus Viet Dinh, he helped to write the USA PATRIOT Act in the weeks following 9-11.

## HOMELAND SECURITY

# FEAR OF FLYING

*Did Miami show that air-marshal training works? Quite the opposite.*

BY JOSHUA KURLANTZICK

ON DECEMBER 7, RIGOBERTO Alpizar, a 44-year-old man with a history of mental disorder, was killed, in a hail of bullets, by two air marshals at Miami International Airport. After the shooting, a Department of Homeland Security spokesman said that Alpizar had run forward in the cabin while the plane was on the runway, yelling "I have a bomb in my bag!" When the marshals confronted Alpizar, the spokesman said, Alpizar ran out of the plane and on to the jetway; when he appeared to reach into his bag, the marshals shot him dead.

It turned out, of course, that Alpizar had no bomb, but government officials from both parties still heaped praise on the marshals' actions. Republican Representative John Mica, head of the House Aviation Subcommittee, and the representative of Alpizar's district, told reporters, "This shows that the program has worked beyond our expectations." "The security system worked, and this should reassure air passengers," echoed Representative John Linder, head of one of the major homeland security subcommittees.

Or maybe not. In the days after the shooting, the *Orlando Sentinel* reported, based on conversations with other passengers, that Alpizar yelled nothing as he ran in the aisle. Stranger still, says Andrew Thomas, an aviation security expert at the University of Akron, "If the air marshals were properly trained, and could recognize threats, and the threat was so great, why didn't they shoot him on the plane" rather than letting Alpizar run

Certainly Yoo has adapted and expanded Silberman's jurisprudence to lend an aura of legality to the dangerous usurpations of the Bush regime. But the roots of our current crisis can be found in the chambers of the judge who taught him to undermine the democratic foundations of the republic. **TAP**

through the aisle and on to the jetway, supposedly with a bomb in his bag. "The jury is still out there in terms of what happened on that plane," Thomas says.

The air marshals have promised an inquiry into the Miami incident. But any inquiry is unlikely to dig too deep. Digging deeper, investigators might find that the air marshal program, supposedly vital to combating terrorism, has been flawed almost from its creation in ways that could trigger more dangerous situations in the future.

The Federal Air Marshals Service was created in the late 1960s as an elite unit of undercover armed men and women who would fly on the small number of routes considered most vulnerable to hijacking. But it was not until September 11, 2001, that the program as we know it today was really born. Before 9-11, there were roughly 50 marshals on active duty, and the service had a budget of only \$4.4 million. After 9-11, the Transportation Security Administration, which would later be incorporated into the Department of Homeland Security, ramped up the program at a breakneck pace, aiming for 2,000 marshals aboard flights, and growing its annual budget to more than \$500 million. (The exact number of marshals in the air is classified.)

In this sped-up process, which drew many applicants because of the job's relatively good pay, people familiar with the program say, the air marshals had to lower hiring standards. And that translated into marshals who were poorly suited for the

job. An internal report released in fall 2003 discovered some 600 reports of misconduct by marshals between October 2001 and July 2003, including losing "government property" (i.e., their weapons), sleeping on duty, and "abuse of government credit cards." Internal investigators in a later report also examined 161 files of marshal applicants who'd been given top-secret security clearance. Roughly one-sixth had violated previous employer policies, while more than one-third had been arrested or faced "allegations of misconduct," including allegations of domestic violence or assault, in the past. This disturbing record led investigators to say that "adjudication standards for air marshals are too lenient" and to recommend better guidelines for hiring marshals.

In the rush to stock planes with marshals, training also may have suffered. After the Miami incident, a spokesman argued that marshals already go through a course called "Managing Abnormal Behavior" about mental illness and other issues that might cause passengers to seem dangerous. But this coursework may not have been comprehensive enough. "Before 9-11, air marshals had a lot of leeway in taking additional and applicable training, like negotiator training," says Leroy Thompson, who has led trainings attended by air marshals. "Pressure and ramping up the program gives them less time to do outside training."

Indeed, the Government Accountability Office reported that the marshals had "revised and abbreviated [their] training curriculum." "Of the 2,000 air marshals we have training today, most have almost no training with disruptive passengers, and aren't prepared to measure the risk" or determine whether someone is disruptive or truly dangerous, agrees Thomas. "The training has broken down."

Lack of sufficient training wasn't the only problem. The air marshal program itself has been moved from agency to agency inside the Department of Homeland Security, making it harder to establish training guidelines, create a database of onboard incidents that marshals could learn from, or spend money wisely. (Last October, congressional appropriators cut monies to another DHS program after the



program couldn't even explain how it would spend its funding.) And despite the rapid hiring, the marshals were overworked because they were being put on so many more flights than before 9-11. Marshals complained to internal investigators of working five consecutive 10-hour mission days, and they were sometimes working solo on flights. This is dangerous: According to the Center for Defense Information, a think tank that monitors defense and security programs, the marshals are supposed to fly in pairs because traveling alone makes it more likely they could be overpowered by an assailant on a plane.

Meanwhile, flight attendants didn't get enough support either. "Neither flight attendants nor pilots have received what aviation self-defense experts would consider appropriate and effective self-defense training at even a basic level," said Pat Friend, president of the Association of Flight Attendants, at a Senate hearing in December. The marshals still "cover only a very small percentage of domestic flights and an even smaller number of international flights," said Friend. "We know this and we must assume the terrorists do too." But in Congress, the airlines were "leading the drive against having the training," one congressional staffer told the *Prospect*. The Republican majority listened to the companies: No statutes mandating flight attendant security training were passed. Some airlines voluntarily offered training, but this reportedly consisted of as little as a six-minute video on security issues. No problem: In a speech to the National Press Club, Assistant Secretary of DHS Kip Hawley blithely said that the post-9-11 public would step into dangerous situations on board. "Passengers will take action," Hawley promised.

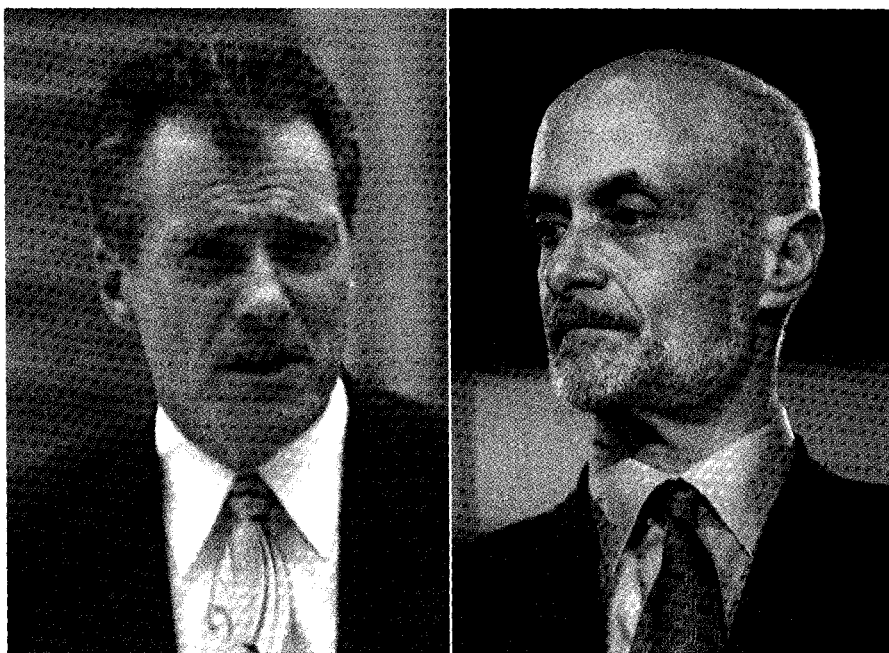
If one had looked closely, there were signs this could all lead to a disaster. According to reports in *USA Today*, tens of marshals reportedly left the service over the past three years, dispirited with internal problems. In 2004, the DHS's inspector general warned that the air marshals still had "deficiencies in the program," harsh language for an internal report. The marshals apparently made little progress. Just before the Miami incident, the Gov-

ernment Accountability Office discovered that the air marshal service "lacks adequate management controls" and had not "developed an overall strategy."

But the marshals' leadership didn't seem to care. To Congress, top DHS official Undersecretary Asa Hutchinson argued, "The federal air marshals is a strong program." In fact, DHS proposed cutting money from the marshals for fiscal year 2005, even though internal memos by some air marshal staffers warned of "significant to severe" impacts on operations if cuts went through. ("The impact on aviation security as a result of the

of the lip." It didn't provide much cover: Some passengers are said to have even given the supposedly undercover marshals the "thumbs-up" sign when they noticed them in the cabin. (In January, Quinn announced plans to retire this month.)

Worried about the program, some marshals did try to sound a warning, but they were silenced. The *Prospect* obtained a complaint filed in a recent lawsuit against Quinn and DHS head Michael Chertoff in Washington, D.C., District Court. In the complaint, air marshal Terry Babb, president of the Federal Air Marshals Association, the marshals' trade



**The Silencers:** Quinn (left) and Chertoff may have tried to conceal information about security lapses.

reduction in federal air marshals service funding cannot be assessed," one internal report ominously warned.) According to Admiral James Loy, former DHS deputy secretary and now a counselor at the Cohen Group, DHS—unlike most cabinet agencies—also had not created an internal bureau to think about policy, making it difficult to respond to criticism.

While all of this was going on, leadership apparently was worried about other issues—like what the marshals should wear. Under marshal Chief Thomas Quinn, the agency allegedly created a dress code that forced marshals to wear business attire and adopt army-style grooming, including minute restrictions like "mustaches will not extend past the vermilion

group, claims Chertoff and Quinn have tried to stop marshals from revealing any information about the program's security holes, even investigating the association, a private group. "Under threat of disciplinary and/or criminal action," the DHS coerced Babb into revealing information about the associations' members, its fund raising, its meetings, and its statements, the suit charges. "The ultimate goal," Babb claims in the complaint, "was to chill the protected speech and associational rights of [the Air Marshals Association] and its members."

Babb's story is hardly unique. "Some [marshals] felt pressure not to say what they want" to Congress or the public, one congressional staffer told the *Prospect*.

Indeed, in 2004 the DHS conducted an internal investigation into whether officials had retaliated against air marshals who complained about the program. In the internal report, about 20 percent of the marshals believed they'd been threatened with retaliation. Two even said they'd been threatened with arrest and prosecution. Meanwhile, according to a letter to Congress written by the Federal Law Enforcement Officers Association, another trade group, Quinn called dissenters "a bunch of pea brains" in a speech to air marshals in training. "I'm in charge of this Agency, and they won't dictate how I run things," Quinn allegedly continued. "All the letters they write to [the] Senate and Congress won't do any good; this is my agency, and if you don't like it, leave."

The Miami incident shocked the nation. But unfortunately, the number of potential incidents like the Alpizar case, with passengers who are angry or crazed but not terrorists, is likely to grow. If flight attendants feel unprepared to handle unruly passengers, air marshals may become more involved. And with airlines reducing staff—airlines employed 5.5

percent fewer workers in October 2005 than in October 2004—there will be fewer attendants to keep people on board happy, and more angry passengers. The Department of Transportation reports that the number of complaints about airlines rose nearly 20 percent in the first nine months of 2005, over the first nine months of 2004. In other cost-cutting measures, airlines have been using smaller jets and slashing routes, increasing the "load factor" on each flight—the number of people sardined into a plane. All this will only increase the number of onboard incidents and make it more difficult for the marshals to judge when they should step in.

"It's like rats—when you pack people on planes, they get testy," says Richard Gritta, an aviation security specialist at the University of Portland in Oregon. Hopefully, when passengers do get testy, there will be someone on board trained to tell whether that's all they are. But don't count on it. **TAP**

*Joshua Kurlantzick is special correspondent for The New Republic.*

gracefully, leaving behind a relatively stable and united country.

Despite tantalizing openings—including months of behind-the-scenes contacts between U.S. military officers, CIA officials, and representatives of the U.S. embassy in Baghdad with various resistance leaders—no senior official in Washington has declared a willingness to negotiate with the Baathist-military resistance. But negotiations, though nearly unmentioned by most U.S. media, have been ongoing. The Arab League has been leading a regional diplomatic effort to start talks with the resistance, several key Iraqi figures are involved in an effort to organize a dialogue with the insurgents, and former leaders of the Baath Party say they are willing to talk.

"There is a whole rainbow of armed groups, including organizations that are tired of fighting and want to make a deal," says Wayne White, who led the State Department's intelligence unit on Iraq until 2005. "The only way wars end is when you talk to the enemy." Representative Jim McDermott, a Democrat from Washington state and a leader of the Progressive Caucus in the House who traveled to Jordan last year to meet former Iraqi officials in Amman, agrees that it is long past time for the United States to open formal talks with the resistance in Iraq. "We fought our way in, but we've got to talk our way out," he says.

What would such a negotiated settlement look like? In broad outlines, a deal with the resistance would include a cease-fire, a halt to U.S. offensive operations in western Iraq, a timetable for the complete withdrawal of American forces, an agreement by the resistance to take part in the Iraqi government, and joint efforts to mop up remnants of Abu Musab al-Zarqawi's al-Qaeda in Iraq organization. The biggest obstacle to such a deal is not the resistance itself—which, though it would likely support such a deal, is a fractious, amorphous force without clear leaders or spokesmen—but the coalition of hard-line Shiite religious parties who control the government in Baghdad. With tens of thousands of private, party-linked militiamen under arms, supplied and trained by Iran's Revolutionary Guards, with a deadly network of Shiite-led death squads and

## IRAQ

# TALK TO THE ENEMY

*A middle ground between victory and defeat: a negotiated settlement*

BY ROBERT DREYFUSS

**T**HROUGHOUT DECEMBER, IN A political offensive designed to recapture the initiative over the failing war in Iraq, President Bush portrayed the battle there in stark terms. Iraq, he said, is the central front in a global struggle against "Islamofascism," against an enemy whose intent is to create a radical, worldwide caliphate comparable to the Nazi enemy the United States fought in World War II or the communist foe that competed with America in (the Cold) World War III. In so doing, the president aligned himself with the hardest of America's hard-liners, such as former CIA Director James Woolsey and *Commentary's* Norman Podhoretz, who insist that the war in Iraq is part of some mythical

World War IV. And in that war, President Bush asserted, the choice America faces in Iraq is either "victory or defeat."

But in fact, the war against the "evil caliphate" exists only in Bush's mind. In the real Iraq, the war pits U.S. forces and the nascent Iraqi government against a persistent insurgency led not by al-Qaeda partisans—who represent a small, and dwindling, part of the opposition—but by a constellation of former Iraqi Baathists, ex-military commanders, and Sunni tribal leaders. And in that battle, the choice is not one between total victory and utter defeat. A third option exists: a negotiated settlement between the United States and the Iraqi resistance that would allow the United States to exit



torture prisons, and with control over much of the new Iraqi armed forces and Interior Ministry police units, the two dominant Shiite parties are adamantly opposed to including former Baathists in the government or the army. And they oppose even their inclusion in the parliament as an opposition force.

Over the past few weeks, Ambassador Zalmay Khalilzad has opened the door to talk to the resistance. "We want to deal with their legitimate concerns," he told *Time* in December. "We will intensify the engagement, interaction, and discussion with them." Khalilzad also made an important distinction between Zarqawi's terrorists and the "nationalists" among the resistance: "The fault line between Al Qaeda and the nationalists seems to have increased," he said. "Insurgency and terror are two different things. ... There is a reaching out to non-criminal Baathists. ... The time has come to reintegrate them into the political process."

Khalilzad's comments rekindled a faint hope that the diplomatic process begun in November by the Arab League might bear fruit. That process had largely stalled. The Arab League's effort began in late fall, when the two king Abdullahs of Jordan and Saudi Arabia expressed fears that Iraq might slip into a full-scale civil war that could spill across Iraq's borders. The original intent of the league, which called a conference in Cairo to bring together all of Iraq's factions, was to open a dialogue between the resistance and the Shiite-Kurdish bloc. However, the Shiites, led by Prime Minister Ibrahim al-Jaafari of the religious Dawa Party and by the Supreme Council for the Islamic Revolution in Iraq (SCIRI), said that they would not attend the Cairo conference if Baathists and resistance leaders were there. So the meeting mostly failed to bridge any divides, although the final statement produced by the Cairo parties at least declared that "resistance is a legitimate right of all peoples."

To similar ends, Aiham al-Sammarae, a former minister in the Iraqi interim government, has spent much of the past year trying to foster a dialogue between the non-Zarqawi resistance and the United States, so far to no avail. Before Cairo,

Sammarae had organized a delegation of resistance leaders to go to Cairo with him, but when Jaafari refused to meet the group, Sammarae and his delegation stayed home. "Ever since Cairo, to the best of my knowledge nobody is talking with the Baathists, nobody is talking with the resistance," Sammarae told the *Prospect* by phone from Baghdad. "There are some talks in the field, but there are no central talks run by the ambassador or by people on behalf of the secretary of state. They are talking with some Sunni groups, and the ambassador meets some Sunni groups to deliver messages, but he's not negotiating."

A leading Baathist said the same thing. Salah al-Mukhtar, a long-time Baath Party official who served as ambassador to India and Vietnam, told the *Prospect* that Baathists are ready to sit down with the

tions have made that uncertain. For the most part, none of those parties want to talk to the resistance.

For Democrats and those few Republicans caught between advocating an immediate pullout and President Bush's "stay the course" view, the idea of a negotiated peace settlement in Iraq tied to a U.S. withdrawal ought to be an attractive one. McDermott, whose thinking on Iraq is light-years beyond that of most party officials, suggests that by supporting UN- or Arab League-sponsored talks, the United States could extricate itself from Iraq while avoiding a civil war. "I'd encourage the Iraqis to convene an *atwa*," he says, using an Arabic word for an age-old dispute resolution mechanism. In Amman, late last summer, McDermott met with Sunni, Shiite, and Kurdish

### ***McDermott, whose thinking is light-years beyond most party officials', says that by backing UN or Arab League talks, America could extricate itself.***

United States. "In any war or major crisis negotiation is the natural eventuality if the two parties of the conflict are willing to put an end to it by peaceful means," says Mukhtar, who is currently in Yemen and who has close ties to resistance leaders. "The only way out of the deadly situation in Iraq is to negotiate with the Baath Party and resistance leadership, and not any other party." But, like Sammarae, Mukhtar says that so far Khalilzad has not contacted any resistance leader directly. "The American ambassador has said that he is trying to contact the insurgency, but he didn't say he has succeeded in opening a door with it."

In fact, no senior U.S. official went to Cairo for the Arab League's meeting, even though the presidents of Egypt and Algeria, the foreign minister of Iran, key Arab diplomats, the foreign relations chief for the European Union, and UN Secretary General Kofi Annan's representative attended. In late February, the league had been planning a follow-up conference in Baghdad, but the victory of the hard-line, theocratic Shiite parties led by SCIRI, Dawa, and Muqtada al-Sadr's fanatical Mahdi Army in the December 15 elec-

Iraqis—"some of them must have been former Baath party members," he says—and the discussions convinced him that an accord tied to U.S. withdrawal is possible. But, he insists, such an effort "can't have an American imprint on it."

It will be weeks before Iraq's factions agree on a government coalition, but one thing is certain: Whatever they agree on, the insurgency will not abate. (The war, said General George Casey, the top U.S. commander in Iraq, "will ultimately be settled by negotiation and inclusion in the political process. It will not be settled on the battlefield.") The president can proclaim his "strategy for victory," but the only realistic options are either a negotiated settlement that satisfies all parties—or, if that can't be pulled off, a hasty U.S. retreat as Iraq breaks up into sectarian statelets. And ironically, after the expense of so much U.S. blood and treasure, one of those statelets is likely to be a Shiite theocracy allied to Iran, installed courtesy of U.S. taxpayers and, at latest count, 2,200 dead U.S. troops. **TAP**

**Robert Dreyfuss** is a *Prospect* senior correspondent.



# Great Expectations

*People expect great things of Barack Obama.*

*His first year in the Senate—in which he's shown a deliberative and sometimes surprising streak—has by design been a relatively quiet one. But it also suggests a man at the beginning of a long, ambitious, and intricate journey.*

BY JODI ENDA





**B**Y 30 MINUTES AND SEVERAL DAYS, BARACK OBAMA is running late. He is supposed to be at his grandmother's in Hawaii—his wife and daughters already are there—but the Senate is still voting on some fairly significant legislation. So here he is, stuck in Washington nine days before Christmas. Illinois' junior senator just came from the Senate floor, where he and his fellow Democrats scored big by blocking a Republican drive to reauthorize the USA PATRIOT Act. He appears at once exhausted and energetic as he carefully places his finely tailored, charcoal-gray suit jacket on the back of a chair and centers his long, lean frame on the sofa beneath a large oil painting of an Illinois cornfield. Some of his heroes stare down at him from his office walls: Abraham Lincoln, JFK, and Mahatma Gandhi to his left; Martin Luther King, Jr., Thurgood Marshall, and Nelson Mandela across the room. A White Sox cap lies atop his desk, a symbol of triumph secured after years in the wilderness.

Obama closes his eyes and turns his youthful, angular face upward, as if he is contemplating all the world's problems from a place deep inside himself. His head rests against the back of the gold couch; his left fingertips touch his forehead. His right leg, long and crooked at the knee, is stretched across a coffee table. He speaks softly and slowly, pausing frequently to choose just ... the right ... words.

The question on the table—and the reason for the pause—is the future of the Democratic Party. It's not an easy question for anyone these days, and it's not a question that is normally asked of a first-term senator with only one year's experience. But Obama is not a normal first-termer—not after the slew of national magazine profiles that ran before he was even elected (and while he was still a state senator), and definitely not after The Speech, his electric keynote address at the 2004 Democratic Convention, which catapulted him from obscurity (people sometimes called him “Alabama”) to the national A-list. These days, people want to know what Obama thinks about everything, from baseball to foreign affairs.





His party, it's worth remembering, didn't even want him to get to the Senate—Illinois' historically muscular Democratic machine backed a party insider in the primary. But Obama blew away that opponent, and five others, winning an outright majority of 53 percent of the vote. Now, at 44, Obama embraces his role with confidence, a great deal of pleasure—and no small amount of care. Speculation swirls about his becoming America's first black president (he is the biracial son of a black, Kenyan father and a white, Kansan mother), even about the possibility he will launch a surprise run in 2008.

Obama is coy about that. But he has little doubt about what he views as the role he should play in the Senate, within his party, and even as a force in shaping the nation's future. He wants to change things, and he envisions himself doing so. There is about him a sense of, well, destiny; his background, his charm, his intellect, and his way with words have marked him as someone special. Obama is aware of this, and every so often, he will say something that tacitly acknowledges as much. But usually he manages himself well, upward and downward, mindful to show the proper respect for his colleagues, some of whom have been in the Senate for most of his life, and for the voters who sent him to Washington with extraordinarily high expectations. He tells me he was happy to have made it through his first Senate year without falling "flat on my face."

That he has not pushed through major legislation matters hardly at all, not to him, not to supporters. He is a fledgling in the minority party and, during his first year, 99th in seniority. No matter. Obama has bigger ideas.

Back to the Democrats. The first part of his answer involves some boilerplate about the usual list of issues—education, health care, energy independence—peppered with deferential language about wanting to "be a part of the process." Then, he gets to the business about what makes him different: "Where I probably can make a unique contribution is in helping to bring people together and bridging what I call the 'empathy deficit,' helping to explain the disparate factions in this country and to show them how we're joined together, helping bridge divides between black and white, rich and poor, even conservative and liberal." Later, in a similar vein: "The story that I'm interested in telling is how we can restore that sense of commitment to each other in a way that doesn't inhibit our individual freedoms, doesn't diminish individual responsibility, but does promote collective responsibility."

Obama wants nothing less than to redefine progressive values, make them more universal, and unite the country around them. His staggering 72 percent approval rating in Illinois—a number that reflects strong support not only in and around Democratic Chicago, but from Republican downstate as well—shows he may be figuring out how to do that. His first year in the Senate suggests a man on a long, ambitious, and intricate journey. It's not too much to say that the future of the Democratic Party, and maybe even the country, could be profoundly affected by where that journey ends.

**L**IKE ANY FRESHMAN, OBAMA DIDN'T KNOW EXACTLY HOW to get around in the Senate. But unlike any freshman, save Hillary Clinton in 2001, he came to town with a national platform. All eyes were on him, and hopes, particularly

among liberals, ran high. Obama took things slowly at first. He didn't want to arrive in Washington looking "too big for his britches," says his communications director, Robert Gibbs. So he turned down repeated invitations to appear on national talk shows (and most of the 300 or so solicitations he received each week) and focused instead on such issues as veterans' disability pay and money for locks and dams back home. He wanted to demonstrate to the people of Illinois that he was working for them, and to his fellow senators that he was "not just a show horse," said his political consultant, David Axelrod.

He surrounded himself with people experienced in Senate protocol and procedure. He hired as his chief of staff Pete Rouse, who for years held the same position for former Senate Democratic Leader Tom Daschle. He took the unusual step of hiring a policy adviser, nabbing Karen Kornbluh, who had been deputy chief of staff to Treasury Secretary Robert Rubin. But even with a star staff, Obama has moved slowly; one senior aide told me that if Obama has one regret about his first year in office, it is that he occasionally has been "late to pull the trigger." A case in point is an immigration bill sponsored by Edward M. Kennedy and John McCain. The two Senate titans asked Obama early in his term if he wanted to sign on to the bill as a cosponsor. Brushing aside the advice of his staff, he declined, saying he hadn't had a hand in crafting the bill. It was only in December, after it became clear that immigration would be a hot topic in 2006, that he attached his name to the legislation. At the same time, he told Kennedy he would like to strengthen the section on border security by adding some measures from a Republican bill.

His concern about border security shows a side of Obama that occasionally has taken some liberals by surprise. It would be far too strong to say that he's been heterodox—after all, he has voted for the liberal position the vast majority of the time, and the initiatives and bills he has emphasized in his year have been solidly progressive. But he has thrown enough curves to keep people guessing.

When George W. Bush nominated Condoleezza Rice as secretary of state last January, Obama resisted pressure from liberal groups and civil rights advocates and voted for her confirmation. In that case, he was with most of his fellow Democrats in backing Rice. But two weeks later, when the Senate voted on a Republican bill to limit class-action lawsuits, Obama was one of 17 Democrats to oppose the trial lawyers—who contributed more than any other special interest to his 2004 campaign—and support the bill. He said at the time that he remained a "strong believer" in class-action lawsuits, and he briefly explained why he supported a bill that would move more of the suits from state to federal court. "When multimillion-dollar settlements are handed down and all the victims get are coupons for a free product, justice is not being served," he said in a statement. "And when cases are tried in counties only because it's known that those judges will award big payoffs, you get quick settlements without ever finding out who's right and who's wrong."

Obama sided against many of his natural allies on that vote, including labor, consumer and civil-rights groups, and environmentalists. Yet, the fallout (or lack of it) demonstrates that he



has a way of communicating with people so that these breaches never grow into outright rifts. Todd Smith, immediate past president of the Association of Trial Lawyers of America (ATLA) and a Chicago lawyer, paid a visit to Obama shortly after the Senate passed the bill. Smith told Obama how disappointed he was that Obama voted for legislation the trial lawyers considered to be bad for “regular Americans.” Obama told Smith he was unhappy with mailers the group distributed throughout Illinois saying he was “depriving poor people of the right to go to court,” according to one of his senior aides.

“It was quite open,” Smith recalled. “He said, ‘Todd, go right ahead, speak your mind.’ And I did. He believed there needed to be changes and, on balance, he felt it was the right way to go.” Smith, who chairs the Board of Trustees of ATLA’s political action committee, said he intends to continue to back Obama with campaign contributions. “I don’t think your support for somebody rises or falls on a single issue. He will be there for regular people and their rights the vast majority of the time and when he’s not, it’s going to be, at least in his mind I’m certain, for solid reasons,” Smith told me. “He’s an outstanding U.S. senator already.”

**O**BAMA ALMOST GOES OUT OF HIS way sometimes to challenge members of his own party and their loyalists. In a move that was highly unusual for a sitting senator, he took to the blogosphere last fall to confront progressives who criticized two other Democrats for voting to confirm John Roberts as chief justice of the Supreme Court. Although Obama opposed Roberts, he defended his colleagues, Patrick Leahy of Vermont and Russ Feingold of Wisconsin, during a frank exchange on Daily Kos—the largest liberal Web site and home to the ferocious “Kossacks,” who usually lambaste politicians who deviate from the accepted line.

What Obama wrote speaks volumes about his political philosophy and independent streak: “... to the degree that we brook no dissent within the Democratic Party, and demand fealty to the one, ‘true’ progressive vision for the country, we risk the very thoughtfulness and openness to new ideas that are required to move this country forward. When we lash out at those who share our fundamental values because they have not met the criteria of every single item on our progressive ‘checklist,’ then we are essentially preventing them from thinking in new ways about problems. We are tying them up in a straightjacket and forcing them into a conversation only with the converted. Beyond that, by applying such tests, we are hamstringing our ability to build a majority. We won’t be able to transform the country with such a polarized electorate.”

Markos Moulitsas Zúniga, the site’s proprietor—sounding not unlike the ATLA’s Smith—said the main reaction among site visitors was one of “gratitude.” “He didn’t come to pan-

der, but to take a stand that might not have been all that popular with a certain segment of the community,” Moulitsas says. “That showed a level of leadership that is oftentimes missing in a party more afraid to offend than in taking principled stands on issues.”

These deviations from the script have caused some concern. One leader of the progressive wing of the Democratic Party said he thought Obama was demonstrating a “Clinton sensibility” by standing up to liberals. The leader, who asked not to be identified because of his relationship with the senator, said Obama did not take on centrists when they wanted to purge the party of anti-war liberals. “That’s defining himself as Hillary Clinton defines herself—as needing to get to the center—which



**Hanging Back:** Obama has taken care to pay deference to his more senior colleagues.

I think is a mistake in strategy, but one that he is flirting with,” the leader said. Obama ran as an anti-war candidate. Last November, after a small number of his colleagues had begun calling for a quick withdrawal, he told the Chicago Council on Foreign Relations that “U.S. forces are still a part of the solution in Iraq” and came out for a phased withdrawal. He reiterated the message from Iraq in January.

Obama told me he viewed the give-and-take on Daily Kos as a “teachable moment” and rebuffed the notion that he was trying to score political points. “What I want to be able to do if possible, and it’s not always possible, is to engage people who disagree with me in a dialogue,” he said. “One of the assumptions I think that a lot of progressives in a sort of knee-jerk way make is that if you stray from the progressive orthodoxy then you automatically must be doing it for political reasons—that you must either be getting campaign contributions from somebody, or you’re positioning for national office, or you’re a wimp, right? They never assume that you just don’t agree with them on something. And so part of what I like to do is at least try to dispel that cynicism about motives.”

HE IS TRANQUIL: BEFORE HIS CONVENTION SPEECH, consultant Axelrod recalled, "I was a nervous wreck. I remember him patting me on the shoulder and saying, 'Don't worry about it. I'll make my marks.'" He is charming, and sets people at ease with his warm, big-toothed smile much the way Bill Clinton did with his intense, blue-eyed gaze. He is, oddly enough, a Grammy Award nominee for narrating his autobiography, *Dreams from My Father*. He is a policy wonk. He is the rapt father of Malia, 7, and Sasha, 4, and a protective spouse to Michelle (he once insisted on interviewing someone who was trying to hire *her*). She, like him, is a Harvard-educated lawyer and now a vice president at the University of Chicago Hospitals. He is a habitual exerciser. He is unfailingly polite (when he was 30 minutes late for our interview, he made a point of coming to the outer office himself to escort me in).

From the time he was born, Obama was different in an intriguing way—and to the extent that he is different from most politicians, his background surely is a big reason. He grew up in Hawaii, then Jakarta, then back to Hawaii; he saw his father, an economist for the Kenyan government, just once after the age of two; though black, the only family he knew—his mother and her parents—were white. He made it to Columbia, worked in Chicago as a community organizer, and then went to Harvard Law School, becoming the first African American president of the *Harvard Law Review*.

Judd Miner remembers the day he read in an obscure Chicago publication that an African American from the South Side was joining a silk-stockings law firm. Miner, a partner in a much smaller firm that specialized in civil-rights cases, decided to give the guy a call. He phoned the law review.

"The young lady said, 'He's not in, but is this a recruiting call?' I said, 'I guess so.' She said, 'I'll put you on the list, you're number 643,' or something like that," Miner told me. The two met for lunch. After several weeks and many lunches, Obama decided to skip the glitzy, high-paying firms and join Miner's because it fit with his commitment to community work, Miner said.

Miner is just one of a band of Obama friends who swear that all the hoopla surrounding him is warranted. After Obama's primary victory, Miner began to get calls from the editors of national newspapers and magazines. They were concerned that their reporters had been snookered into believing the hype. "The stories they were getting back were puff pieces. They thought there must be some flaw. They thought it couldn't be," Miner said. What he told them, and me, was: "When you do political stuff and you run into a Barack, you think, 'Oh, there's hope!'"

Supporters in Illinois say Obama represents something of a Rorschach test: people project their viewpoints onto him. Valerie Jarrett, a longtime friend and the treasurer of his political action committee, said that people see something of themselves in him. The danger, she said, is that they assume Obama will do what they would do, vote the way they would vote. That could backfire on him, but it hasn't yet. "He has the ability to touch diverse crowds and there's a sense of clicking," Jarrett said. "And because he can click with so many different kinds of people, the expectation is that because I clicked with him, he's going to agree with me."

Illinois Senate President Emil Jones Jr. still hasn't gotten over

a scene he witnessed the day he accompanied Obama on a campaign swing in the predominately white, southern part of the state. "A little old lady said to me, 'I'm 86 years of age. I hope I live long enough because this young man's going to be president and I want to be able to vote for him.' It was a little old white lady! It was astounding," says Jones, who was something of a mentor to Obama in the state Senate. "There were 3,000 people there. There were three blacks: him, me, and my driver. People are drawn to him. He talks to people on the same level ... It resonates more."

IT MAY BE THAT THE VERY UNIVERSALITY OF HIS PERSONAL appeal prevents Obama from appearing, or wanting to be, overtly ideological—as if his life story and his gift for connecting with people are too large to be categorized. He clearly wants to be thought of differently, as too complex to be encompassed by one label. When I ask if he's liberal, progressive, or centrist, he says: "I like to think I'm above it. Only in the sense that I just don't like how the categories are set up." He describes two common Democratic caricatures: the "DLC-centrist-Joe Lieberman-Al From types" and the "old-time-religion-Ted Kennedy-die-hard-liberal types."

"There are dangers in both camps," he continues. "Sometimes the DLC camp seems to want to run to the center no matter how far right the Republican Party has moved the debate—that sense of 'let's cut a deal no matter what the deal is.' The old-time religion school sometimes seems unreflective and is unwilling to experiment or update old programs to meet new challenges."

"And the way I would describe myself is I think that my values are deeply rooted in the progressive tradition, the values of equal opportunity, civil rights, fighting for working families, a foreign policy that is mindful of human rights, a strong belief in civil liberties, wanting to be a good steward for the environment, a sense that the government has an important role to play, that opportunity is open to all people and that the powerful don't trample on the less powerful ... I share all the aims of a Paul Wellstone or a Ted Kennedy when it comes to the end result. But I'm much more agnostic, much more flexible on how we achieve those ends."

And yet, for all these demurrals, when he finally did decide to occupy the spotlight last year, it was on a tried-and-true liberal issue. After Hurricane Katrina hit last August, Obama decided that it was time to speak out. As the Senate's only African American and as someone who had worked on poverty issues, he knew people would be looking to him for leadership. He traveled to Houston with former Presidents George H.W. Bush and Clinton. He went on ABC's *This Week*. "Whoever was in charge of planning was so detached from the realities of inner-city life in New Orleans ... that they couldn't conceive of the notion that [residents] couldn't load up their suvs, put \$100 worth of gas in there, put some sparkling water, and drive off to a hotel and check in with a credit card," he snapped. But he later said Democrats must accept some of the blame because they, too, had downplayed poverty as a national issue [see Ezra Klein, "Poverty Is Back!," page 45].

On other issues, too, Obama has stuck close to the traditional liberal line. Just two months into his term, he became the first senator to speak out on avian flu, spearheading an effort to spend \$25 million to prevent a pandemic. In November, he introduced



a bill that would help underwrite health-care costs for automakers that produce fuel-efficient cars. And, invoking a pragmatic political strategy, he has repeatedly teamed up with Republicans to accomplish worthwhile goals. He has worked with the ultra-conservative Tom Coburn of Oklahoma to stop the Bush administration from awarding no-bid contracts for post-Katrina reconstruction projects. Most notably, Obama has developed a particularly close relationship with Indiana's Richard Lugar, the well-regarded chairman of the Foreign Relations Committee. The two inspected nuclear and biological weapons sites in the former Soviet Union last August, then cosponsored a bill to reduce stockpiles of conventional weapons.

Obama thinks Democrats need to talk more concretely about health care, energy, globalization, and education—issues on which he says he will spend his time in the next year. Beyond that, he says, they need to address the values problem.

"I do think that there's a strain of the Democratic Party—it's not uniform—that is somewhat patronizing towards people who go to church," says Obama, who attends the Trinity United Church of Christ in Chicago, which is Congregationalist, and keeps a Bible in his car. "If you go to a black evangelical church, there may be traditions that secular humanists might be un-

his state's most popular politician. "He's an odds-on favorite to run for higher office," Durbin predicts. "If you are a personal investment banker, you certainly want to invest in the Barack Obama IPO ... It is a solid investment in the American political scene."

It's ironic, all this talk, given that his party didn't even want him in the first place. Many party leaders backed Dan Hynes, the state comptroller and Cook County political scion. There's a lesson the party needs to learn here about nurturing and developing such obvious talent (do the Republicans ignore their Obamas?). In any case, his party can't get enough of him now. Obama has bolstered his status within his party by raising huge amounts of cash for his colleagues' campaigns. His political action committee, Hopefund, raised an estimated \$1.8 million in 2005. That doesn't count the millions he has raised for and donated to the Democratic Senatorial Campaign Committee and to individual candidates. In one night alone last fall, he raised \$1 million for the Arizona Democratic Party by drawing 1,400 people to a dinner. And with one e-mail, Obama raised \$800,000 for Senator Robert Byrd of West Virginia, a powerhouse who first was elected to the Senate nearly three years before Obama was born.

Most of his fund-raising trips are not on his public schedules. And Obama's staff, quick to tout his 39 town hall meet-

***SEIU chief Andy Stern wants Obama to step forward:***

***"America needs champions right now. And he has that ability.***

***My New Year's resolution for him is not wait in line but seize the time."***

comfortable with—hoopin' and hollerin', wavin' and dancin'," he says, purposefully slipping into the vernacular. But, he says, the preachers and the parishioners are talking about the same things that Democratic leaders are: "They're talking about health care and looking after our seniors and trying to salvage young men from going into the prison system. So there's nothing alien about it. And yet sometimes, the Democratic Party, I think, just assumes that as long as people are in church that somehow we can't reach them, that we have nothing in common. That's simply not true and certainly hasn't been true historically."

**T**HERE IS ALSO A STRAIN OF THE DEMOCRATIC PARTY—and a broad one—that is promoting Obama as the party's savior. "He represents the future of the party for a lot of people, which is good because a lot of people question whether we have a future as a party," said strategist Jenny Backus.

Harold Ickes, a high-ranking White House aide under President Clinton and 2000 campaign adviser to Hillary Clinton, said Obama is poised to speak to issues that "have gotten short shrift in the past two decades among progressive Democrats," like poverty and income distribution. "He's a powerful spokesman and he comes into Washington fresh, not encumbered by Washington mentality," Ickes said. "He certainly has the capacity to speak out on issues and get attention. And that's no small accomplishment. ... I personally have high hopes for him."

Senator Dick Durbin, Obama's Illinois partner and the second-ranking Democrat in the Senate, has no doubt about the future of

ings in 31 Illinois counties, claimed not to know how many fund-raising events he attended around the country the past year. A fair assumption might be that Obama is collecting chits and loyalties and building a national political machine, a precursor to a presidential run. It's something that everyone around him talks about. The senator himself is more understated. "I think it's flattering," he says of the conjecture. "It indicates that I'm doing something right. But I try not to get too far ahead of myself. And I find that I perform best when I'm focused on being useful as opposed to becoming something."

Undoubtedly, pressure and speculation will grow as 2008 approaches. Even if Obama doesn't run for president then—and his advisers insist he won't—another kind of pressure will present itself: to use his unique talents and his bully pulpit to further a progressive agenda. Andy Stern, president of the Service Employees International Union, the first labor union to endorse Obama during his primary campaign, said he'd like to see Obama lead on issues that are critical to working people. "America needs champions right now. And he has that ability and potential," Stern said. "My New Year's resolution for him is not wait in line but seize the time." If Obama indeed is destined to do great things, the time may be right for him to step more forcefully into the spotlight that beckons. **TAP**

*Jodi Enda writes about politics and government from Washington. Her last piece for the Prospect was "Howard's Beginning," a profile of Howard Dean, in the August 2005 issue.*

# Liberal The Book of Virtues

*Yes, they exist. And they're the best tools we have for countering the right's assertion that everything is political.*

BY KEVIN MATTSON

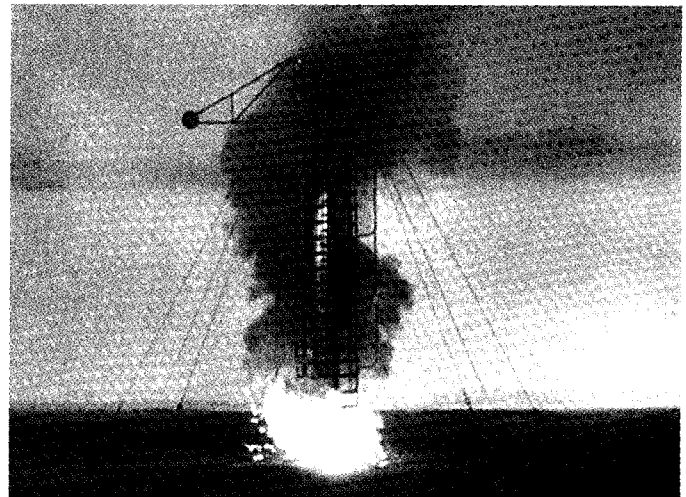
I HAVE NEWS FOR YOU: CONSERVATIVES ARE WINNING the culture wars. OK, that might not come as a shock, but here's the scary part: They have reason to be winning. The right has done a superb job at exploiting certain weaknesses on the left; liberals, in the meantime, have become gun shy. But we should not duck the culture wars. Instead, we should see them as a golden opportunity to stand up and explain just what we think is right for America in terms of values and culture. Liberal values are in stronger shape than many believe.

Look behind the right's cultural crusades—David Horowitz's "Academic Bill of Rights," the push for intelligent design, the attack on secondary education as mere liberal indoctrination, and the assaults on the media—and you start to notice a consistent worldview emerging. Call it conservative postmodernism. It is composed of numerous cultural strains that feed off one another. There's anti-intellectualism, mixed in with a populist distrust of professionalism and higher education as well as "objectivity," which is seen as a smokescreen cloaking the sinister ambition of imposing a liberal worldview on unsuspecting students or media consumers. For the conservative mind of today, *everything* is political; there is no set of competences that rises above the struggle for political power. Following from this, there is no real truth. There are only clashing viewpoints relative to one another, all deserving equal treatment in the public square.

If you step back and examine these strains, you notice that a funny thing happened on the way to the 21st century. The looniest aspects of the far left during the 1960s morphed into the looniest aspects of the far right today. An attack on intellect and objectivity grounded in a belief that everything was political (including the "personal") fueled the student movements of the late 1960s. It's the excesses of that time that Horowitz and the right's cultural warriors of today represent. Liberals fought those excesses then, and they must do so again today. We actually do have values that we stand for that can resonate to large numbers of Americans, and now is the time to articulate them.

## ANTI-ANTI-INTELLECTUALISM

Anti-intellectualism is the linchpin of the postmodern conservative mind. The critic who did the most to explore it was the



Lift Off: Sputnik led Americans to take education more seriously.

historian Richard Hofstadter. "Our anti-intellectualism ... has a long historical background," he wrote in *Anti-Intellectualism in American Life*. Busting on eggheads came easy and grew out of central themes in American cultural history: Evangelicalism, which prioritizes emotional faith over theological education; the pragmatism of the business world (which pressured the public school system for more vocational education); and the legacy of frontier democracy, with its Jacksonian hatred of refinement and sophistication. For Hofstadter, there was no limit to portraying intellectuals as "pretentious, conceited, effeminate, and snobbish; and very likely immoral, dangerous, and subversive."

Hofstadter didn't spell out a countertradition to anti-intellectualism. He was a critic and not as interested in offering solutions to the problems he outlined. Nonetheless, some of his points can be teased out in order to frame arguments that are useful in waging a liberal culture war today. For instance, Hofstadter made a great deal out of the Sputnik scandal, when Americans suddenly discovered that they had fallen behind Russians in terms of math and science skills that buttressed space exploration. This realization prompted self-introspection on the part of Hofstadter's fellow citizens about the state



of their collective intelligence (or lack thereof). He showed how American history moved back and forth between times when anti-intellectualism dominated and times when it didn't. He spelled out certain intellectual values, like the ability to embrace "nuances" and to see "things in degree." Though Americans might be prone to anti-intellectualism, he suggested, there were other cultural tendencies that encouraged what Hofstadter's friend Lionel Trilling cited as the "moral obligation to be intelligent."

But Hofstadter's book mostly provided a warning, one that liberals should heed today. Not only did anti-intellectualism go deep; there was a propensity for intellectuals—and liberals—to recede when anti-intellectualism crested. Think of the 1920s, when, in the face of the infamous Scopes Monkey Trial, liberal intellectuals quickly embraced the estrangement of H.L. Mencken, who championed the cause of a "civilized minority" and saw Americans as too stupid for much more than disdainful barbs. Today, not only is creationism back; but more importantly, so is the liberal recoil. When David Horowitz spoke at the University of Colorado in February 2005, he suggested, as the *Daily Camera* reported, that "university professors are a privileged elite that work between six to nine hours a week, eight months a year for an annual salary of about \$150,000." Horowitz was in Colorado, because here was the right's poster boy for academic irresponsibility—Ward Churchill, the man who had written of the "little Eichmanns" in the World Trade Center. Liberals feel pushed into a corner when they have to defend intellect against the right's attack, especially when framed this way. How can you come out fighting if what you're defending is the right to be an elitist or a snob or a political psychopath?

But the fight need not be framed this way. There's a world of difference between arrogance and a respect for learning and democratic discussion. And as much as anti-intellectualism is rooted in the American past, so too is a respect for learning, seen in the high priority that many immigrants place on acquiring the best education for their children and in the admiration many Americans have for colleges in general. Liberals should point out that college education doesn't create just good employees but mindful citizens capable of good democratic judgment. There's a long tradition of this in American history—from Thomas Jefferson to Horace Mann to John Dewey. All of these figures believed education shouldn't cement citizens' preconceived notions, as conservatives argue, but should challenge them to think in new and creative ways.

As the Sputnik episode showed, Americans have been embarrassed in the past when they have learned they are falling behind other nations in terms of their educational standing. Having political legislators nosing about in America's classrooms is not exactly a recipe for excellence in education. Liberals can appeal to Americans' fear about falling behind in terms of education and nurture a culture that respects learning—that lashes back at attacks made on teachers or that characterizes thoughtfulness and reflection as indecisiveness (a theme of the 2004 presidential campaign). Liberals need to show that the virtues of education and thoughtfulness are virtues open to all. To imply the reverse, as conservatives often do, is the crassest form of elitism.

## THE IMPORTANCE OF BEING PROFESSIONAL

The professions serve as the key bridge between citizens and public intelligence. To become a professional is the reason most Americans enter college, after all. So it's no surprise to see that the professions—especially professors and journalists, but also lawyers and scientists—come under such attack from the right. Professionals now appear arrogant, in need of being policed by political legislators or exposed as imposing their own selective views, as with scientists and journalists.

Attacking professionalism started on the left. The "professional managerial class" (PMC), as it was once called, catered to the interests of more powerful capitalists, according to social critics like C. Wright Mills and Barbara Ehrenreich. Professionals had knowledge but no real power; if the business owners wanted accountants to cook the books, for instance, they would. This sentiment heated up during the later 1960s. Student protestors against Vietnam believed the university had become complicit with the military-industrial complex. And for critics like Noam Chomsky, the buck did not stop at Lyndon Johnson's desk. Chomsky condemned a set of mid-level "mandarins" and a "technical intelligentsia" who made policy suggestions and drew up elaborate academic papers that helped justify American foreign policy. These scholars' claim to "objectivity" allowed them to evade the moral questions they should have asked. Expertise served delusion.

There was, of course, a great deal of truth to this criticism. But what started as a sophisticated critique of the ways in which intelligence could unwittingly serve power has now become hardened into a politicized attack on professionalism tout court. We have too quickly forgotten the *intent* of professionalism in a rush to criticize its perversions. A brief examination of professionalism's rise in American history illustrates why a thoroughgoing distrust of professionalism is so dangerous. The professions grew out of the training provided by the modern university, both of which arose during the late 19th century (in 1876, for instance, the American Chemical Society was founded, with the American Forestry Congress following in 1882; the list goes on from there). Modernity made evident that there were forms of expert knowledge that needed to be disseminated throughout American culture. The profession became a specialized arena of knowledge that encouraged a self-policing discipline on the part of new members who entered its ranks and who pledged themselves to what one historian called an "ethic of service" to the wider public. It provided a code that drew upon a sense of integrity in one's own work, a belief that certain things stood above the pressures of money or political power.

Professional training was meant to ensure integrity among those subjecting themselves to it. This was most obvious in the rise of professional journalism. The 19th-century press was partisan and opinionated; writers were expected to report and editorialize on things that helped their side. Modern journalism, instead, encouraged accuracy. By the 20th century, as the critic Michael Schudson documents, Joseph Pulitzer believed "journalists should emulate lawyers and doctors and find in the solidarity of the profession independence of moneyed interests." Walter Lippmann, one of America's most famous journalists, spelled out the idea of objectivity during the 1920s when he suggested that "disinterested

realism" and the "scientific spirit" should be applied to journalism.

Today, the possibility of coming to a more objective understanding of an issue and reporting on it truthfully is under attack. The left has always argued that commercial interests have tainted news reporting, and the "new journalism" associated with the counterculture emphasized the personal viewpoint of the writer. Today, the right has gone further, suggesting that truthfulness is itself impossible. As Ann Coulter bellows, "Despite all the gobbledygook about the 'profession' of journalism and the absurd conceit that 'journalism' is a well-honed craft one has to master over time, the only standard journalists respect is: Will this story promote the left-wing agenda?" *The New Yorker's* Nicholas Lemmann recently spent a great deal of time listening to conservative critics of the "liberal" and "elite" media. He heard from conservatives who saw political ideology in just about every detail of news reporting and concluded that, "Conservatives are relativists when it comes to the press. In their view, nothing is neutral: there is no disinterested version of the news, everything reflects politics and relationships to power and cultural perspective."

So it's up to liberals to explain what Coulter finds absurd. Liberals must elucidate the crucial relationship between professionalism, objectivity, and democratic deliberation. A certain level of dispassionate and disinterested realism ensures a healthy political culture. Without a space in which facts speak louder than political opinions, we have no true deliberation. We need not be naive; those defending objectivity realize that all journalists have a strong desire to reconfirm political prejudice and fall back on comfortable beliefs. As the philosopher Terry Eagleton pointed out in a recent jeremiad against postmodernism, "Trying to be objective is an arduous, fatiguing business, which in the end only the virtuous can attain." That makes it such a difficult value to expound; it appears valueless but is in fact packed with ethical expectations. Once it is jettisoned, the prospects for our discourse are frightening. The alternative is outlined in the screaming world of opinionated pundits.

Liberals must defend a culture of professionalism grounded in civic responsibility. "Reportorial authority" (and responsibility) for the press and professorial responsibility and academic freedom for university teachers require rigorous defense today, lest they be replaced by the desires of those holding political power. While Horowitz suggests government should police the content of classrooms, liberals must argue that classroom content is best left up to educated and responsible professionals. While conservatives denounce objectivity to the point of seeing bias in all news reporting, liberals should champion the ideal of objectivity in reporting and argue for a press that is fair-minded and dedicated to the diffusion of knowledge necessary for democratic deliberation. This is not about winning political battles; it's about protecting institutions that sustain democratic discussion. Liberals need to make clear

that a world in which everyone simply reconfirms their preexisting opinions by going to their own ideological media source or by refusing to listen to arguments they don't like in the classroom is not a world in which democracy will flourish.

#### THE PROBLEM OF TRUTH AND POLITICS

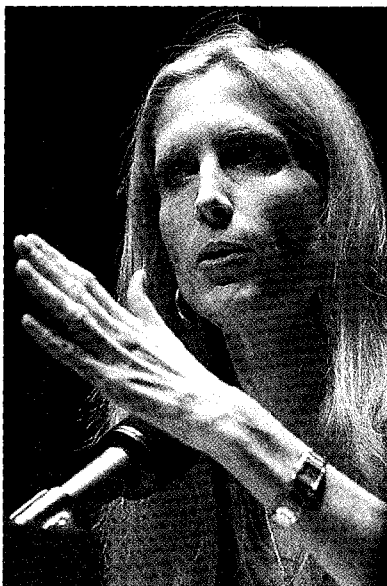
All of this brings us to the difficult matter of truth. It's remarkable to note the parallels between the academic left and postmodern conservatives on this count. Historically, liberals inherited the tradition of the Enlightenment, with its belief in rationality and universal values. Against conservatives who upheld organic traditions rooted in religious faith, liberals stood for what Immanuel Kant called the public use of reason to criticize existing social and political arrangements. But since the 1960s, the academic left has attacked the Enlightenment tradition. It has become fashionable to doubt that the universal claims made by liberals—grounded in values like equality or freedom—can stand up to scrutiny. In the fields of literary theory, philosophy of science, sociological theory, and cultural studies, the Enlightenment tradition has taken a beating.

Of all the grand theorists of the academic left, Michel Foucault took up this issue most forthrightly and pushed it in a political direction. Drawing energy and inspiration from the Paris student revolt of May 1968—which found him, according to one biographer, "gleefully lobbing stones" at police while being "careful not to dirty his beautiful black velour suit"—Foucault became interested in the residues of the 1960s counterculture, especially experimentation

with drugs and sexuality. Most important of all, Foucault grew interested in political reform movements. His work on prisons, which engaged him in questions of politics and power more than anything else, drew on left-wing protests (including hunger strikes) against conditions in France's jails.

Enlightenment reformers (like Jeremy Bentham) recoiled at the ancien régime's mode of punishment—namely, torture. They wanted to make reform more humanitarian by replacing torture with a new system that nurtured a prisoner's sense of conscience. For Foucault, the modern prison did not punish less by directing its attentions toward a prisoner's interior but, in fact, it punished more effectively. So was introduced a "microphysics of power" that irritated Foucault's libertarian sentiments. It also made him wonder if there was *any* Enlightenment reform that did not implicate itself in power dynamics. Claims to justice and humanitarianism simply masked new forms of power, and there was no standpoint of truth that could criticize power by standing outside of it. "Each society has its regime of truth, its 'general politics' of truth: that is, the types of discourse which it accepts and makes function as true," Foucault explained in an interview. Truth and power were conflated; truth became one more language game played among others, no better than the rest.

Conservatives may not read Foucault. Nonetheless, they im-



Yeeuch: The absurd Ann Coulter



bibed his philosophy by turning postmodern. The libertarian right and the libertarian left approach one another as they criticize systematizing bureaucracies—the academic left because they impose “normalization” of the marginalized, and the right because they build big bad government. But more meaningfully, the criticism of truth and Enlightenment that Foucault lodged flew across the political spectrum to ensconce itself squarely in the right’s worldview.

Fundamentalists have no doubts about their faith, but those speaking on their behalf have appropriated Foucault’s conceptions about “regimes of truth.” Evolution is one such regime, one that conservatives counter by saying that intelligent design should be taught as part of “the debate.” So, too, David Horowitz. He believes in certain principles, as they’re spelled out in *The Art of Political War* (no lack of assuredness there). But the “Academic Bill of Rights” that he promotes argues—note the language well—that “there is no humanly accessible truth that is not in principle open to challenge.” Therefore, professors are obligated to “make their students aware of other viewpoints” besides their own. Again, different regimes of truth should do battle, since there’s little reason to see any declaration as anything more than a “viewpoint.”

The Foucauldians of the right really go to town in defending their leaders against attack. There is no debating facts about whether Karl Rove or Tom DeLay actually committed acts that were unlawful or unethical. Listen to the editors of *The National Review* defend DeLay. “Many of the offenses DeLay is being accused of—taking foreign trips funded by outside groups, attending events with lobbyists—are committed by every congressman on Capitol Hill.” Besides, the editors reason, politics is all that matters. Democrats are after DeLay only because he “is an effective leader of the House Republican majority.” The same defense is wielded on behalf of Rove. Did he out Valerie Plame? Doesn’t matter, since it’s “all about politics,” as the mantra goes. Both Rove’s and DeLay’s defenders illustrate the machinations of the postmodern conservative mind: It can see nothing beyond power.

As an opposition party standing outside the halls of power, liberals must resuscitate the idea of the Enlightenment—the idea that certain truths stand beyond political power, that political criticism is based upon a desire for a more just and truthful society, not political resentment. But here, we face the gap that stands between liberalism and the very same academic left that initiated the assault on the Enlightenment. That relation has never been symbiotic, even though the right might like to suggest as much (notice how Ward Churchill has come to symbolize academe as a whole). Recall the debates about multiculturalism and speech codes of the 1990s; most of us remember liberals like Arthur M. Schlesinger Jr. and Todd Gitlin taking on the academic left in ways that were tougher than Dinesh D’Souza or Roger Kimball. Liberals must fight the relativism of both right and left and point out their consistencies.

In so doing, liberals need not toss out the legitimate element in the postmodern critique of the Enlightenment. Looking back on the 20th century, there was a healthy reaction against “big ideas”—including those stemming from the Enlightenment—that purported to liberate humanity from exploitation only to impose a new form of domination. European intellectuals, including Foucault, witnessed Marxist intellectuals like Jean-Paul Sartre using

the language of the Enlightenment to justify brutality. There really was a connection between the Communist Party’s Leninism—which held that intellectuals should lead the revolution because they had more insight than the limited perspective of workers mired in trade-union consciousness—and its willingness to justify totalitarianism. And postmodernists were right to celebrate complexity and nuance over the danger of embracing big, bad ideas.

But liberals have their own tradition of the Enlightenment that evades its worst abuses. It’s what the historian of ideas John Patrick Diggins calls the “Skeptical Enlightenment.” It begins with the writers of the Constitution, especially James Madison, and it travels up to the post-war liberal thinkers inspired by Reinhold Niebuhr. The tradition believes in the public use of reason to criticize unjust circumstances, but it also tempers that ambition with pessimism about human nature and guardedness about an overextension of reason. James Madison believed that the Constitution was born from reason, but that it also recognized that “the reason of man continues fallible.” Reason would not always overcome “passions”; thus the need for checks on citizen ambitions that only the Constitution could promise. Constraints needed to be placed on human beings. This recognition demanded a sense of humility among a liberal democracy’s citizens.

Niebuhr took up this tradition while struggling to come to terms with the horrors of the Holocaust and the rise of Stalin, two events not exactly conducive to an optimistic faith in Enlightenment. Reason, Niebuhr pointed out, is always tainted by the self-love Augustine did so much to expose. That didn’t mean reason

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should be seen as a smokescreen for power. It meant that citizens of a democracy needed to recognize the finiteness of their own judgment (Niebuhr contrasted this finiteness with God's knowledge). Niebuhr explained: "Men do have to make important decisions in history upon the basis of certain norms, even though they must recognize that all historic norms are touched with both finiteness and sin, and that their sinfulness consists precisely in the bogus claim of finality which is made for them." Thus, Niebuhr didn't counsel irrationalism or seeing all viewpoints as equally tenable, but rather rationalism mixed with humility.

So in reacting against the academic left's and now the right's attack on the Enlightenment, liberals need not sound strident or absolutist. Nor does a defense of civilized debate need to sound naive. What we demand from citizens is a challenging task—to see the limits of their own opinions without allowing that to devolve into a narcissism of their prejudices and beliefs. The liberal ethic expects citizens to challenge themselves by entering a public sphere that is grounded in an ethic of truthfulness, respect, and humility.

#### LIBERAL VIRTUES

All of this adds up to something that conservatives deny: that liberals have a conception of the good life. For some time, conservatives have charged that liberals lack a moral structure or that their moral structure is too paltry to require anything of citizens of a liberal democracy. Some on the left agreed. But as numerous political theorists have shown, liberals have their own set of expectations for citizens. It is a demanding set of expectations that centers around what political theorist Stephen Macedo called "public reasonableness," a belief that citizens should enter debate about the future of their society with "broad sympathies, self-critical reflectiveness, a willingness to experiment, to try and to accept new things." This is the value of *liberal humility*.

Ironically, some thinkers who are trying to revive liberal thought today stress passion over humility. It's easy to understand why, looking at the energy of the evangelical right. Both Michael Walzer and Robert B. Reich have written important books about the need to inject passion into the liberal worldview. And though passion in politics is a fine thing, liberals must be wary of too much passion in political life and demand something more from citizens. Passion must be checked by dispassion—that's central to a liberal citizen's ethic, to the way we think citizens should behave when entering public life. It's objectivity put into practice by every citizen—not a realizable goal but certainly a fine ideal to uphold. There's an irony to liberalism's demand on citizens: A liberal citizen must be passionate about a political culture that checks passion—that is dispassionate, pluralistic, and potentially self-defeating to one's own short-term goals.

This is the central moral lesson of liberalism, and it is one we are in deep need of resuscitating today. As the political thinker Stephen Holmes has pointed out, liberals demand both passion and

constraints from citizens. Think of the greatest historical accomplishments in the history of liberalism. Constitutions and the rule of law inherently check passion. The idea that markets—the classical arena for passion and self-interest—should be tempered by regulation is also central to liberalism. So too the idea of objectivity, which encourages people to push aside personal prejudice for achieving something approximating truth. So too the deferral of gratification that long-term preparation for a profession requires. Liberal citizens are asked to look beyond their passions.

I realize that the arguments made here are not easily transferred into bulleted points. Nor are they "talking points" for those looking to win scream-fests against the right. On the other hand, none of what I've spelled out here is terribly difficult to articulate coherently for a wider audience: We want citizens to be thoughtful, capable of entertaining ideas that they might not subscribe to at first. We believe that these values are engrained in the American past and speak to America's better side. We believe that they rely upon good schools and a responsible media. As much as there's a strong streak of anti-intellectualism coursing through the American past, there's also been a belief that education can be open to all and can nurture intelligence and thoughtfulness among all citizens. That's the liberal hope for the future.

Our hope is grounded in a faith that citizens still want something more than what the right's culture wars offer. The right makes clear what it wants every time we hear the red-faced screaming of Bill O'Reilly, the he-man antics of Sean Hannity, the

coarse and ugly bellowing of Ann Coulter (whose hero is, not surprisingly, Joe McCarthy), the calls to "political war" by David Horowitz, and the anti-intellectual steadfastness of our president, who refuses to believe that facts matter. It is a culture that portrays America's teachers as liberal dogmatists and elitists eager to indoctrinate students and America's journalists as opinionated propagandists. It is a culture that ironically degrades authority. Some Americans might like this bullying, but many find it disturbing. It is the role of liberals to articulate why that's so.

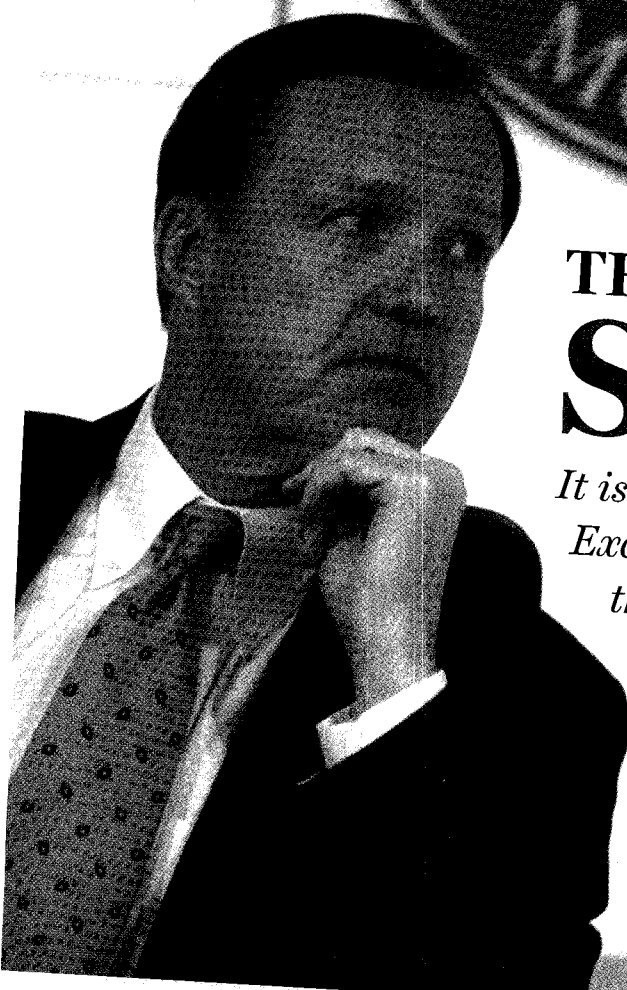
In so doing, liberals must be ready for battles on the culture front. We are indeed in the midst of another round of culture wars, and it can be a good thing. Liberals have values that they stand for, and plenty more can emerge if we debate openly with ourselves about what we believe (to be honest, that is, that there are divisions within our ranks). In the meantime, we need to explain to the American public why postmodern conservatives are wrong for the country and what we have to offer against them. That's the type of culture war that liberals should feel ready and sure about fighting—and even winning. **TAP**

*Kevin Mattson is the Connor Study Professor of Contemporary History at Ohio University and author of When America Was Great: The Fighting Faith of Postwar Liberalism. He is writing a biography of Upton Sinclair.*



**Mon Dieu!** The right apes Michel Foucault





# THE NEXT WALL STREET SCANDAL

*It is incubating at the Securities and Exchange Commission, where Chris Cox, the new chairman, must first overcome his own history to be a tough regulator.*

BY ROGER LOWENSTEIN



IT WOULD BE HARD TO FIND A WORSE RESUME FOR chairman of the Securities and Exchange Commission than that of Christopher Cox, who was confirmed in the job by the Senate last summer after hearings that *The New York Times* aptly described as a "love fest." As a congressman from Orange County, California, since 1988, Cox closely allied himself with the most aggressive lobbies for weaker securities regulation—accountants, the high-tech industry, and the U.S. Chamber of Commerce. For nearly 17 years, he was their loyal servant, weakening the SEC and faithfully burying pro-investor reforms that might have prevented faked balance sheets and overstated earnings from inflating a stock market bubble.

Lest we forget, from 2000 to 2002 the Standard & Poor's 500 Index fell 50 percent—equal to the drop during the Great Crash of 1929. The smaller-stock NASDAQ fell a gut-wrenching 78 percent. Today's market is stuck at 1998's level, meaning it has delivered a cumulative zero to investors for seven years. It is fair to say that Cox did his very best to make the bubble and its aftermath as horrific as they were.

Had President Bush named him to the SEC in 2002, when the market was hitting bottom, the outrage would have been great. But today, reforms have been enacted, culprits have been sent to jail, and the market has at least risen from its lows. Even liberals such as Arthur Levitt, who ran the SEC under Bill Clinton, greeted Cox's appointment with a ho-hum, apparently reckoning that a period of consolidation—not further reform—is in order.

They should know better. Firstly, memories of the scandals already are starting to fade. It's always when investors lower their guard that the SEC should raise its own. Secondly, Cox inherits a vast unfinished agenda on matters ranging from corporate governance to accounting standards to hedge funds. Whether the Sarbanes-Oxley Act and other post-Enron reforms take hold will largely be up to Chairman Cox—likewise defense of the SEC's budget. Even as the trial of former Enron Chairman Kenneth Lay is set to begin, Cox's old friends on K Street are circling the beleaguered agency, saying reform has gone too far. In fact, much remains undone. To cite the most glaring example, the average investor in a mutual fund still has little idea of the fees he is paying, or of the blatant conflicts of interest that are involved in determining them. Is Chairman Cox the man to correct such abuses?

A 53-year-old Harvard-educated lawyer uniformly described as bright, articulate, conservative, and ambitious, Cox had never worked directly in the securities business. But his career is littered with clues about his approach to regulation. The most disturbing occurred during his stint as a junior partner in the Los Angeles firm of Latham & Watkins. From 1984 to 1986, Cox defended William Cooper, a scam artist being pursued by state and federal regulators. According to Michael Aguirre, a lawyer who represented a group of pensioners that Cooper defrauded, Cox placated the regulators, and thus enabled the fraud to continue. Ultimately, Cooper and two confederates went to jail, but not before they had bilked their clients out of an estimated \$130 million.

"His job was to dress up the portfolio for presentation to the (California) Department of Corporations," Aguirre, today the city attorney in San Diego, says. "Cox was a key player in help-

ing to keep the scheme alive. Since he doesn't believe in the concept of fraud, selecting him as head of the SEC is really a horrible appointment."

This is a harsh judgment, and to the extent that it turns on Cox's work as a 30-something lawyer, it is hardly a complete picture of the man today. Cox has denied culpability in the Cooper case (of which more later) and since his selection in July, he has been working overtime to disabuse people of the notion that he is too reactionary to run a regulatory agency created by Franklin D. Roosevelt.

"So which is it? Business friendly or investor friendly?" Cox asked in his maiden speech to the SEC staff. His answer was encouraging: "Ladies and gentlemen, the Department of Commerce serves our country's businesses. We are the investors' advocate."

Cox has surprised critics by promising to defend some, though not all, of the reforms sponsored by his immediate predecessor, William Donaldson. He has launched a novel inquiry into the Altera Corporation for allegedly blackballing a security analyst who had been negative on its stock. "I don't doubt that he had the wrong instincts for quite a good period of time," says Harvey Goldschmid, a former Democratic SEC commissioner who returned to Columbia Law School in August. "But he has certainly made a moderate, and an encouraging, entrance."

CHRIS COX GREW UP IN ST. PAUL, MINNESOTA, THE SON of a businessman. He attended the University of Southern California. At Harvard, in the mid-1970s, he not only made *Law Review* but also got an M.B.A. His thesis advocated the then far-right notion that the recipients of corporate dividends should not be "doubly" taxed (a goal that President Bush would largely accomplish in 2003). After a stint as a federal law clerk, Cox joined Latham & Watkins and rapidly made partner. While at Latham, Cox sent a resume to Washington, where Peter Wallison, counsel to the Reagan White House, spotted him as a prodigy and fellow Reagan partisan. In the White House, Cox worked on a broad array of subjects. However, on a Monday in October 1987 he got a whiff of the issues that would later consume him at the SEC. The stock market had plunged 22 percent (still its worst one-day fall ever) and Cox was asked to help formulate a government response. One reason for the severity of the crash was the widespread use of a new derivative, known as "portfolio insurance," which instead of protecting investors as advertised had led to chain-reaction selling and thus exacerbated the decline. One possible response would have been to clamp down on derivatives—which would pop up in numerous future fiascos, including Orange County, Long-Term Capital Management, and Enron.

Cox was disinclined to propose new rules. According to another White House colleague, "he wanted to be sure we didn't use the crash as an event to drive a whole new securities act." In general, this former colleague says, "he had a vision of vibrant markets" (even when they were tumbling 22 percent) and didn't want them "smothered" by regulation.

This fear has rallied conservatives ever since the SEC's tumultuous infancy. After the Great Crash, examples of notorious self-dealing on Wall Street were exposed by Congress and the New Deal created the SEC to assure the honesty of securities markets.



Despite ideological opposition, it soon became a truism on Wall Street that capital markets in the United States were stronger than those overseas thanks to the confidence inspired by the cop on the beat. In Congress, bipartisan support for the SEC endured, auspiciously, for six decades—until the sudden triumph of the Gingrich Congress. That was when Chris Cox, elected to a fourth term in 1994, found himself part of the first Republican majority in the House since the Eisenhower era.

Cox's singular contribution to the Gingrich agenda was the 1995 Private Securities Litigation Reform Act. Its purpose was to limit class-action lawsuits by investors. Historically, the threat of such suits was a powerful deterrent to the kind of fraud typified by Enron. Though many experts agreed on the need to modestly temper the power of class-action lawyers, Cox's bill was an immunization shield for corporate executives and their auditors. Alarming, the bill raised the threshold for proving damages from "recklessness" to "intent." It would no longer be enough to show that a Dennis Kozlowski had behaved with reckless indifference to stockholders; a plaintiff would have to prove that Kozlowski *intended* to do them harm. This was a prohibitively high bar, which the former *Law Review* editor surely knew.

The provision was eliminated by the Senate, but another Cox provision, also quite damaging to investors, was included in the final act. After a case is filed, plaintiffs must pass certain hurdles to advance to the "discovery" stage, where they can take depositions from insiders and thus attempt to ferret out details of the alleged fraud. Cox's bill required plaintiffs, *prior to discovery*, to "state with particularity facts giving rise to a strong inference" of fraud. In other words, a plaintiff had to assert the details of who did what without the benefit of discovery. The pleading standards, which were toughened in this and other ways (much to the satisfaction of the high-tech and audit lobbies) set an impossibly high standard. President Clinton vetoed the bill, but Congress overrode him. According to John Coffee, a Columbia University law professor, "litigation against auditors dried up after the act." Not surprisingly, auditing standards noticeably slipped; it was in the immediate aftermath that companies such as Xerox, Waste Management, and Enron began to stretch the limits of acceptable practice right under their auditors' noses.

The House also targeted the agency for punitive budget cuts. This would limit the SEC's manpower precisely when the Internet revolution was spawning scores of new technology firms, many of dubious character, and thus a higher workload for the agency.

It was in that hysterical context that Cox supported or joined fellow Republicans in three other efforts with deleterious effects on investors. First, they pressured then-SEC Chief Levitt to get the Financial Accounting Standards Board to back off from requiring companies to book stock options as expenses. Levitt, to his own later regret, caved. Secondly, Republican legislators, again with heavy lobbying from accounting firms, blocked Levitt's efforts to prevent auditors from getting too close to their corporate clients—exactly the abuse that led Enron and Arthur Andersen to their mutual destruction. Thirdly, Cox sought to delay a rule to ban the "pooling" method of accounting in mergers, which helps acquiring companies such as Cisco obscure the cost of their acquisitions.

**T**HIS GENERAL CRUSADE ASIDE, THE SECURITIES LITIGATION bill that Cox championed also had a *personal* context. In 1995, as the bill was being drafted, Cox was added as a defendant to a lawsuit in California state court. According to *The New York Times*, Cox said his experience as a defendant led him "to sympathize with people who are victimized in these suits." Cox, of course, was referring to the action brought by the defrauded pensioners in the *Cooper* case. In his Senate confirmation hearing, Cox was subject to patently softball questions on the Cooper scandal.

**Sen. Richard Shelby:** Congressman Cox, several press accounts have described your involvement in a lawsuit arising from your time when you were in private practice of law. I think the outcome, if I recall, of that lawsuit was in your favor. But would you just, for the record, clarify your role in this litigation, how it was resolved, and so forth?

**Cox:** I did preliminary work on a small SEC-registered public offering. However, that public offering was not the basis for the criminal indictment and ultimate guilty ruling and conviction of this individual. Furthermore, I did not work at the law firm at the time the lawsuit went forward. ...

**Shelby:** Well, basically it terminated in your favor, is that correct?

**Cox:** Yes, I had the entirety of the complaint dismissed against me, and there was no settlement of the matter either. I prevailed on the claim in the court.

This testimony is astonishingly incomplete. William E. Cooper and a partner ran First Pension Corp. and a series of related companies that, in the early 1980s, sold investments to pension funds and people with retirement accounts, and also managed their portfolios. Cooper offered the investors a high interest rate, chiefly by lending money to poor credit risks in the form of second and third mortgages. Many of the debtors stopped making payments, but Cooper hid this fact from his investors. Eventually, he bundled their assets in a pool. This made the poor performance easier to disguise. However, pooling the assets made them subject to the securities laws, and Cooper neglected to register them with any of the relevant authorities. The SEC, the California Department of Corporations, and the Department of Labor were all on his trail in 1984, when Latham & Watkins assigned the case to two young attorneys, one of whom was Cox.

According to the complaint filed by Aguirre, Cox helped to draft or review numerous items of First Pension's or its related entities' correspondence to investors and regulators. The complaint alleges that virtually all were substantially misleading and went over the line of normal attorney advocacy. Exhibit A is a letter he wrote to state regulators in February 1985 describing the restructuring of First Pension, which was key to keeping it afloat, as "low-risk" and "fair, just and equitable" to investors.

The complaint alleges that the documents that Cox drafted or reviewed failed to mention Cooper's previous, and illegal, pooling; they supplied a specious reasoning for why Cooper did not seek to appraise the mortgages' value. And they were silent as to Cooper's central motivation, which was to hide the collapse of the underlying investments.

Cox has said he was unaware that his client was doing anything

wrong. If the 300-page complaint can be believed, then Cox must have been the most naive lawyer ever to emerge from Harvard Yard. In one memo, quoted in the complaint, a Cooper associate, worried that investors will get wise and start bailing out, pointedly advises Cox: "Our objective is to inform our clients of the changes [in] the system that meet the proper fiduciary disclosure requirements *without causing a run on the system* [emphasis added]."

Cox's testimony that his work for Cooper did not involve the entity that later was the subject of the criminal indictment is technically true but beside the point. Cox *did* work on entities in which investors lost money. It is arguable that his testimony perpetuates a central fiction of the case—that Cooper's various paper subdivisions operated independently.

And Cox's involvement was far greater than "preliminary work on ... a small offering." According to the complaint, Cox submitted at least 150 time entries to his firm for work on First Pension-related entities. Indeed, after Cox left, in 1988, Cooper complained to the law firm: "Our mutual work on the fund and the service provided through the initial period of time, was satisfactory. However, things changed when Chris Cox left the firm, leaving our very crucial project in the hands of people who have

such a furious protest against the last proposal that Donaldson retreated. Meanwhile, the Chamber repeatedly blasted Donaldson for being an "overzealous" regulator (only in today's political climate could a Wall Street eminence like Donaldson be made to sound like Ralph Nader). His two fellow Republican commissioners frequently voted against him, leaving him in the awkward position of having to form a majority with the two Democrats.

Cox has dashed the hopes of the extreme right that he will simply reverse everything accomplished by Donaldson. Cox has said that he accepts as settled that stock options must be expensed (reversing the stance he took in Congress). And Cox told *The Wall Street Journal* that hedge fund registration will go through. But the new rule allows a gaping exclusion for funds whose investors commit for at least two years.

On another charged issue—a probe into a sale of stock by Senate Majority Leader Bill Frist—Cox, who has contributed money to Frist, promised to recuse himself. This prudent move does not cost much, as the consensus thinking in Washington is that the Frist probe will not go very far.

And it is clear that, under Cox, the business lobby is expecting a gentler SEC. "We think he'll be a good addition ... a calming influence," David Chavern, an executive at the Chamber, says pointedly. Cox deserves credit for running a more consensus-driven SEC, a departure from the Donaldson years. But it's not hard to see why the Chamber is celebrating. With both his principles and his political future in mind, Cox appears to be charting a conservative course that nonetheless maintains a patina of Donaldson-style

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***Cox says that he wants more disclosure on executive compensation. At first blush, this looks bold. On second look, it is mostly public relations.***

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proved to be inexperienced." Finally, Cox's testimony that he "prevailed on the claim in court" is, according to Aguirre, a misrepresentation. Attempts to win a dismissal of the charges against Cox failed. His testimony omits the fact that he *was* removed from the case when his law firm, Latham & Watkins, agreed that Cox's actions could be imputed to the firm. And the firm did settle out of court for a not insubstantial amount. With the exception of the complaint, the record of the case and the details of the settlement have been sealed. Cox declined to talk to me about it.

**A**RTHUR LEVITT SAYS HOPEFULLY OF THE NEW CHAIRMAN, "Cox is smart and he's political. He understands that his legacy will depend less on what the Chamber of Commerce thinks of him than what investors think of him." Recent history can be cited either way. Levitt's successor, Harvey Pitt, was undone by his closeness to industry.

But Cox's immediate predecessor, William Donaldson, proved to be a surprisingly tough regulator. Donaldson provoked the ire of the Chamber on three major initiatives. One was whether hedge funds, previously unregulated, should be compelled to register with the SEC. Another was whether to require mutual funds to name an independent chairman. Third was a proposal to let shareholders (of all companies) name a candidate or two for director—after all, the shareholders *do* own the stock—and break management's exclusive lock on picking directors.

The Business Roundtable, which represents CEOs, mounted

vigilance. He is going slow on some of Donaldson's reforms while preserving them in a legalistic sense; letting others (shareholder access) lapse; ignoring areas in which the reforms are incomplete (mutual funds); and winning points as a "moderate" by picking a superficial initiative or two that will please the crowd.

Cox has said, for instance, that he may press for more disclosure on executive compensation. At first blush, this looks bold. On second look, it is mostly public relations. There is already a tremendous amount disclosed on what CEOs earn; the trouble is, pay totals keep rising regardless. It is doubtful that more disclosure will reverse the trend. To do more than grab headlines, the SEC will have to reach the people who set their pay—the boards. Donaldson's shelved proposal for letting shareholders pick directors is an obvious solution. Imagine how the calculus on CEO pay would change if the head of the compensation committee had to run against a candidate picked, say, by Calpers and other large outside shareholders. It would mean, in effect, *real* democracy. So far, Cox has said nothing to suggest that he favors it.

Another looming controversy from the Donaldson era is mutual funds. The Chamber of Commerce took the SEC to court to block Donaldson's initiative, which called for an independent chairman and a supermajority of independents on the board. According to the Chamber, mutual fund boards are fine just as they are.

That's a hoot. Little more than a year ago, numerous fund managements were found (by Eliot Spitzer) to have been "timing" their personal investments—that is, trading against their



own shareholders. Funds also make investors pay for marketing expenses. It is impossible to disassociate such abuses from the fact that fund advisors dominate their boards and, in effect, negotiate their own fees. As Dave Swensen, who runs Yale's endowment, has pointed out in a new book, Morgan Stanley charges a 1 percent marketing fee and a half percent commission on an *index* fund (whose investments are managed by a computer). "Tell me that board is looking out for shareholders," Swensen says with justifiable sarcasm.

The chairman has yet to tip his hand on mutual funds or on hedge funds. Judging from the collapse of Bayou Capital Management, which somehow lost track of \$440 million of its investors' money, the era of free rides for hedge funds should be over.

INTERESTINGLY, PETER WALLISON, WHO LAUNCHED COX'S political career at the Reagan White House and is now a fellow at the American Enterprise Institute, has become a prolific crusader *against* securities reforms, including shareholder access and independent fund directors. The latter, he wrote "was emblematic of what was wrong with [Donaldson's] tenure." According to Wallison, if shareholders don't like the board, they can always sell the stock, so simple disclosure should be all that's required. This dovetails with what we know of Chris Cox's early view of securities markets, as a sort of Edenic capitalist garden in which well-informed investors moot the need for "smothering" regulations. "I suspect the SEC under his [Cox's] watch will pay more attention to empirical data," Wallison says hopefully.

Unfortunately, the view that disclosure alone will root out misbehavior is belied by Wall Street's every experience over 75 years, especially its recent experience. We cannot, of course, infer that Cox will side with his former mentor. But given that the average American today invests principally through mutual funds, this is probably the single issue on which the Cox SEC will have the greatest potential for good or harm.

Wallison has also been beating the drum against the principal post-Enron legislative reform, the Sarbanes-Oxley Act. Cox has sounded supportive of the Act's principles, but vague on its details—and in this case, the details matter greatly. Passed in 2002, after revelations of fraud and/or accounting shenanigans at, among others, WorldCom, Adelphia, Rite-Aid, Qwest, Global Crossing, Xerox, Lucent, and Waste Management, Sarbanes-Oxley significantly toughened the standards for corporate auditors. The early returns suggest that Sarbanes-Oxley is working. According to Lynn Turner, a former SEC chief accountant now at Glass Lewis & Co., the number of companies restating their earnings due to accounting errors has tripled to more than 600 a year. Thanks to the new law, companies have had to live with tougher controls, and auditors are taking their mission more seriously.

The business lobby, however, has been wailing about the cost of implementing Sarbanes-Oxley, and relief is high on their agenda, especially for smaller firms (which, by the way, account for far more than their share of bad audits). Audit costs *have* risen, however; prior to Sarbanes-Oxley they were undoubtedly too cheap. Not only were audits often perfunctory, but accounting firms were undercharging for audits as a means of compet-

ing for more-lucrative consulting business. So an increase in audit fees was overdue.

In one of the SEC's first acts under Cox, the agency agreed to give small companies an extra year to comply with the law's audit standards. Then, an advisory panel recommended that small companies be exempt from having their internal controls certified by auditors. This raises the larger question of whether Cox will enforce Sarbanes-Oxley in the tough spirit that its framers intended. Equally worrisome, the SEC has proposed making it easier for foreign companies to deregister their shares in the United States. This would mean that Americans who bought shares in supposedly safe foreign stocks would wake up to discover that the issuers need no longer comply with U.S. rules.

Corporate accounting also needs reform on several fronts. The SEC staff has singled out "special purpose entities" (those off-the-books partnerships used so deftly by Enron) as needing more transparent treatment. Accounting for derivative deals is still abysmally incoherent. There are probably not a dozen people in America who can decipher the disclosures of, say, GE Capital. And accounting for pensions is simply nonsensical. Companies now book earnings based on the percentage gains they *expect* in their pension funds—a number their treasurer pulls from thin air—even if the actual performance is far better or far worse. Given the seriously underfunded condition of many pension funds today, Cox should be pressing the Financial Accounting Standards Board to rewrite such rules.

In 2002, investors lost confidence in corporate books, and markets tanked. Even President Bush, whose personal record in private business was darkened by self-interested and conflicted behavior, was moved to endorse a major securities reform, enacted as Sarbanes-Oxley. In an eerie echo, the job of institutionalizing Sarbanes-Oxley will fall to another man with a dubious prior record on corporate accountability. It will not be easy.

Securities reform is a neverending need, because it must keep up with the agile minds of Wall Street, which are forever devising new techniques to entice, and occasionally to gull, the public. But by the sixth year of a president's tenure, enthusiasm for new SEC initiatives tends to wane, according to Joel Seligman, president of the University of Rochester and author of *The Transformation of Wall Street*, a magisterial history of the SEC. "Cox is a very bright guy. Is he going to represent continuity or someone who represents a new direction?"—meaning a slowing or even a reversal of the Donaldson-era reforms—Seligman wonders. "He really hasn't put his cards on the table."

Certainly, Cox has been talking the talk. "So why is it that our markets are the gold standard?" he rhetorically asked of his staff. "It boils down to trust. Investor confidence." Such platitudes would be more reassuring if Cox had not discovered them so recently. But he now has the chance to make good on them. Whether he succeeds in doing so will depend on whether he can distance himself not only from his former friends and his ideological soul mates, but from his very own history. **TAP**

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**Roger Lowenstein** is the author, most recently, of *Origins of the Crash: The Great Bubble and Its Undoing*, and a frequent contributor to *The New York Times Magazine* and *SmartMoney*.

# REMAPPING THE

*Can the Democrats finally learn to talk culture? Fascinating new research challenges some cherished assumptions—and offers clues about the future.*

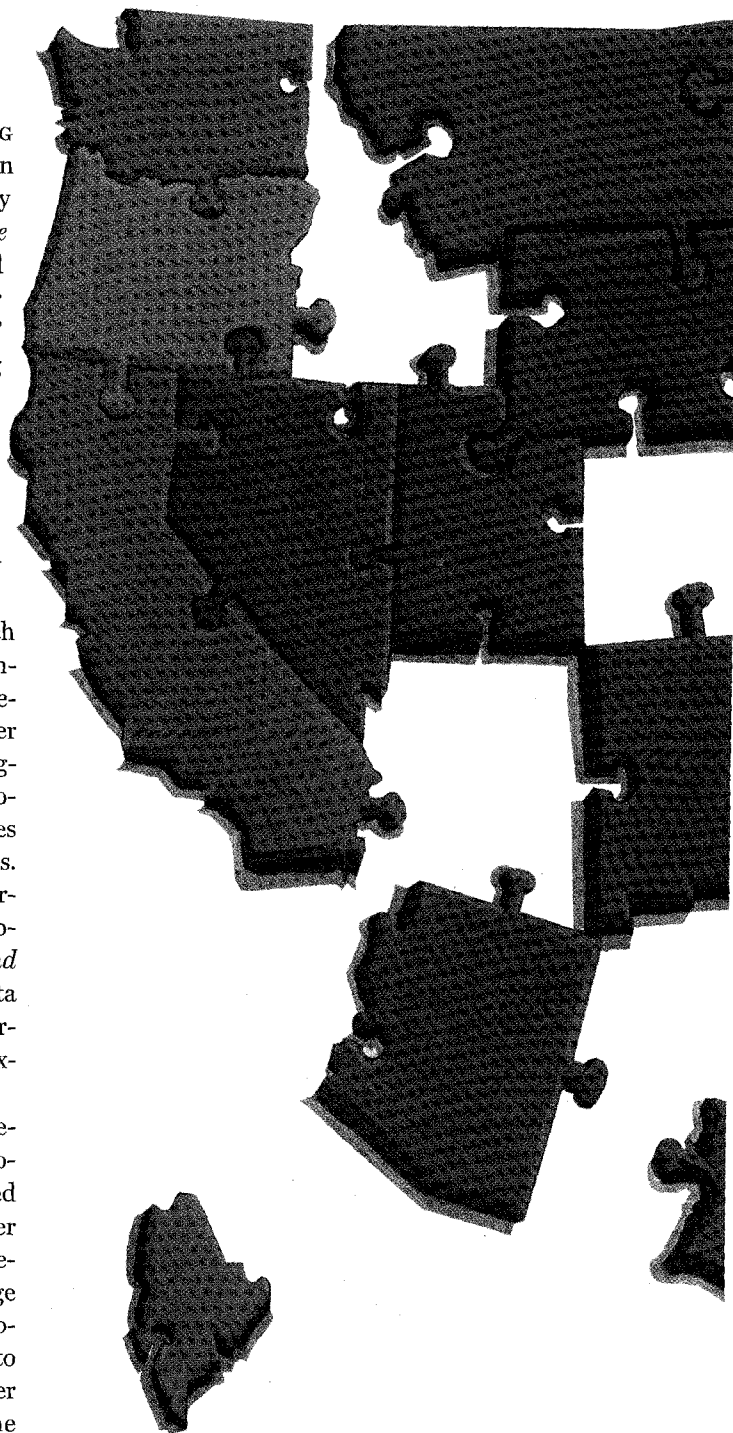
BY GARANCE FRANKE-RUTA

ILLUSTRATIONS BY McDAVID HENDERSON

**T**ED NORDHAUS, A SELF-PROCLAIMED “RECOVERING pollster,” and Michael Shellenberger, a former San Francisco public relations executive, began quietly sending out e-mails in the spring of 2005. *Love your work*, they’d write people they thought would be like-minded. *We should meet*. The duo had created a minor stir that fall with the essay “The Death of Environmentalism,” which took environmental interest groups to task for being out of touch. After having been dubbed “the reapers” by critics for their grim diagnosis of the health of the very progressive community of which they had long been part, they were interested in forging new networks. But they also had a new project in the works, one that may ultimately prove far more significant than “Death,” now slated for book publication by Houghton Mifflin in 2007.

In April 2005, Nordhaus left his job at the opinion research firm Evans/McDonough Company to start, along with Shellenberger, an American branch of the Canadian market research behemoth Environics, which specializes in the study of consumer behavior, right down to the level of “neighborhood lifestyle segmentation.” Though such data are not collected on behalf of political figures, it’s the kind of information political operatives often use to slice and dice the electorate into ever thinner pieces. Similar data allowed Republicans in 2004 to make sure they targeted last-minute calls and fliers to domestic SUV-drivers, subscribers to hunting magazines, and women who watch *Will and Grace*. American Environics intended to use the detailed data its parent company had collected since 1992 for a different purpose, however: to challenge progressive interest-group orthodoxies and the progressive movement itself.

In the great debate about how Democrats can stage a comeback (beyond simply waiting for the coming Republican implosion that never seems to arrive), American Environics rejected some of the more popular recommendations out there. Rather than focusing on reframing the Democratic message, as Berkeley linguistics and cognitive science professor George Lakoff has recommended, or on redoubling Democratic efforts to persuade Americans to become economic populists, as another school of thought suggests, the





# CULTURE DEBATE



American Environics team argued that the way to move voters on progressive issues is to sometimes set aside policies in favor of values. By focusing on "bridge values," they say, progressives can reach out to constituents of opportunity who share certain fundamental beliefs, even if the targeted parties don't necessarily share progressives' every last goal. In that assessment, Shellenberger and Nordhaus are representative of an increasingly influential school of thought within the Democratic Party.

By the beginning of fall 2005, American Environics had presented its data to key Democratic leaders and a who's who of Democratic interest groups: Senator Hillary Rodham Clinton, House Minority Leader Nancy Pelosi, the NDN (formerly the New Democratic Network), Third Way, Planned Parenthood, the Center for American Progress, People for the American Way, the Economic Policy Institute, and OMB Watch. They did so quietly, swearing their viewers to silence. (They will be releasing the data publicly early in 2006.) Few media outlets saw the presentations, but the *Prospect* was given an early copy of their research.

The data contradicted the slew of polls that show Americans to be strong supporters of Democratic issue positions, such as universal health care, despite voting habits that have made Republicans the dominant political actors. Instead, American Environics' extensive plumbing of Americans' attitudes laid out a darker, more nuanced vision of what the nation actually believes. Far from being a purely dour assessment, though, in it can be found the seeds of a new understanding of the interrelationship of culture, the economy, and politics—broadly defined—that should give progressives hope.

**D**EMOCRATS HAVE HAD A TREMENDOUS AMOUNT OF difficulty in recent years recognizing the central role of cultural factors in the life of the polity and in their own demise. This is finally starting to change. In the year since elec-

tion-night exit polls put the fear of God—or the fear of people who fear God—into Democrats, there has been a slow but marked shift within the party, and within progressive circles more broadly, in terms of approaching values questions.

"When you only talk to people in economic terms, you leave a huge opening for other candidates to connect on other issues," says Ann Lewis, communications director for Friends of Hillary (Clinton). "The challenge is to step forward with a coherent program that culturally reinforces what [voters] want their future to be."

Even those who have been most focused on populist economics have started coming around to this new view. Shortly after the 2004 election, the Center for American Progress launched a series of meetings with liberal religious leaders that ultimately gave rise to a new project on religion and values, which will work closely with Shellenberger and Nordhaus. Post-election, the Democratic National Committee's pollster, Cornell Belcher, preached the wisdom of situating traditional Democratic appeals in the language of values, while DNC Chair Howard Dean traveled the country teaching the new talk. Progressive actions on the ground reinforced the utility of the new approach, and in 2005 Tim Kaine took the statehouse in Virginia, where nearly half of state residents attend church at least once a week, by running a campaign that presented him to voters as a person of faith. "That old sign in the 1992 Clinton headquarters that read, 'It's the economy, stupid!' no longer applies," writes Catholic University political professor John Kenneth White, in the new book *Get This Party Started: How Progressives Can Fight Back and Win*.

The new data have convinced even the most skeptical that an approach that worked in the industrial age is not as suited to the new, globalized information-era economy, where isolated voters look first at character as they assess candidates. Last August, for example, the Democracy Corps political polling firm released a

## Just What Is the Working Class?

**The white working class**, referred to as "America's forgotten majority" in a 2000 book of that title by Ruy Teixeira and Joel Rodgers, has been anything but forgotten since the 2004 election. Disputes within the liberal family have focused obsessively on how Democrats can regain the allegiance of this demographic, considered to be a necessary element of any successful political coalition. The jumping off point for that conversation is author Thomas Frank's assertion of a "great backlash" in which class issues have been sublimated into a culture war. Liberals have pushed economic populism as the antidote, while centrists have argued for moving right on national security

and issues like abortion and gay rights, but everyone agrees on the existence of the problem of the white working class.

Everyone, that is, but Larry Bartels, who argued, in a provocative presentation in early September 2005 to the American Political Science Association, that the Democrats' working-class problem is a mirage. According to his analysis of National Election Survey (NES) data: "White voters in the bottom third of the income distribution have actually become more reliably Democratic in presidential elections over the past half-century, while middle- and upper-income white voters have trended Republican." What's more, he finds, Frank's cultural backlash

just isn't real. Social issues have even less salience than economic ones, Bartels writes, "for whites in the bottom third of the income distribution than for more affluent whites."

This analysis should discomfit both Democratic factions. If the white working class is still with the Democrats, and less likely than other voters to base their votes on cultural issues, then moves to the right on social issues seem unmotivated. At the same time, if the economically disadvantaged are, in fact, loyal Democrats, then there should be few additional votes gained from more trenchant economic populism.

But how could the entire political class get such a big question so wrong? In part, the cultural shift they thought they saw among working-class Americans emerged from a naive misreading of the famous "red



memo that sharply diverged from the firm's usual reports on such generic Democratic concerns as jobs, prescription drug benefits, and health insurance. In focus groups held among rural voters in Wisconsin and Arkansas, as well as disaffected Bush voters in Kentucky and Colorado, pollsters Karl Agne and Stanley Greenberg found that concerns about a stagnant economy, job security, health-care costs, and the war in Iraq were consistently trumped by questions of values.

"[A]s powerful as the concern over [economic] issues is, the introduction of cultural themes—specifically gay marriage, abortion, the importance of the traditional family unit, and the role of religion in public life—quickly renders them almost irrelevant in terms of electoral politics at the national level," Agne and Greenberg wrote. "Particularly among non-college educated voters, cultural issues not only super-seded other concerns, they served as a proxy for many voters on those other issues."

When it came to defining themselves in the nation's ongoing cultural battles—such as the battle over "family values"—Democrats had virtually ceded the field to Republicans, presenting an uncertain face to the public. Voters, the research showed, were looking to cultural and lifestyle markers to determine whether or not a candidate was, in fact, going to do right by the economy, the Democrats' one persistently strong area. The Democracy Corps pollsters concluded that voters saw traditional Democratic economic concerns as having little to do with them, being mainly "manifested in costly government social programs or political alliances with labor unions and minorities." The party's inattentiveness to cultural matters had, paradoxically, left these voters with "absolutely no sense that Democrats have a viable alternative vision that would truly promote broad economic growth or increased prosperity for working Americans."

versus blue" maps showing Democratic voters concentrated in big cities, with GOP voters sprawling across lightly populated exurbs and rural areas. Lurking just beneath the surface of these maps, however, there are two rather different Blue Americas. One, in places like Manhattan and the western half of Washington, D.C., is white, highly educated, and affluent. The other, in places like the Bronx and the eastern half of Washington, is overwhelmingly minority, poorly educated, and poor. That both Blue Americas vote Democratic and are adjacent to each other on two-color maps tends to obscure, rather than illuminate, some important divides in American society, with the sharpest economic contrasts often existing *within* Democratic-voting urban areas rather than between Democratic areas and Republican ones.

Similarly, political scientists Andrew Gelman, Boris Shor, Joseph Bafumis, and David Park argue in their November 30, 2005, paper, "Rich State, Poor State, Red State, Blue State: What's the Matter with Connecticut?," that the conventional media understanding of American politics is largely the result of a massive "fallacy of composition"—confusing the properties of a unit (the state) with the properties of its component parts. Their data, like Bartels', show that there is a relatively recent trend toward poor states voting Republican while rich ones support the Democrats. From here, it's easy to leap to the conclusion that poor people are swarming toward the GOP, but it isn't true. Exit polls indicate that poor Mississippi (per capita income just below \$25,000) backed Bush by a hefty 59-40 margin over John Kerry, but also that 62 per-

WHERE DEMOCRACY CORPS FOUND VOTERS UNABLE to hear economic appeals through the noise of cultural ones, Environics' research suggested an even more profound interrelationship between materialist concerns and a community's broader beliefs. They found economic changes driving changes in social values, and those, in turn, driving political preferences. Using data from Environics' in-home consumer survey in the United States, Nordhaus and Shellenberger were able to tease apart changes in the thinking of voters since 1992 on 117 different "social values trends." These values, such as "time stress," "joy of consumption," and "acceptance of violence," are not what people normally think of as "values"—abortion, gay marriage, or other hot-button social issues. Nordhaus and Shellenberger were looking at something more fine-tuned: the attitudes, biases, and normative beliefs that undergird people's stances toward politics, life, and policy. They were, in short, trying to elucidate the measurable components of worldviews.

"None of the polling I was looking at really had much ability to explain what was happening in the country socially and politically," says Nordhaus, the more voluble of the pair, with close-cropped sandy brown hair and slick rectangular glasses framed by hip-for-D.C. charcoal plastic. The data the corporate world was using were "vastly more sophisticated than the methods I was using as a pollster, which were, respectively, quite crude."

Looking at the data from 1992 to 2004, Shellenberger and Nordhaus found a country whose citizens are increasingly authoritarian while at the same time feeling evermore adrift, isolated, and nihilistic. They found a society at once more libertine and more puritanical than in the past, a society where solidarity among citizens was deteriorating, and, most worrisomely to them, a progressive clock that seemed to be unwinding backward on

cent of Mississippians reporting a family income below \$15,000, and 54 percent of those making between \$15,000 and \$30,000 backed Kerry. Bush's success in this poor state, in other words, was due to his strength among relatively rich voters. Nor is this merely a result of Democratic strength among African American and Latino voters—the "Connecticut" authors consider this possibility and conclude based on NES data that higher income positively correlates with Republican-voting, both on a national level and within states, even while controlling for race and ethnicity.

The key assumption of this line of thought is that income can be used as an adequate stand-in for class as a social phenomenon, an assumption that's hotly disputed by many. Political scientists David Gopioian and Ralph Whitehead Jr. in a post on Teixeira's Donkey

broad questions of social equity. Between 1992 and 2004, for example, the percentage of people who said they agree that “the father of the family must be the master in his own house” increased ten points, from 42 to 52 percent, in the 2,500-person Environics survey. The percentage agreeing that “men are naturally superior to women” increased from 30 percent to 40 percent. Meanwhile, the fraction that said they discussed local problems with people they knew plummeted from 66 percent to 39 percent. Survey respondents were also increasingly accepting of the value that “violence is a normal part of life”—and that figure had doubled even before the al-Qaeda terrorist attacks.

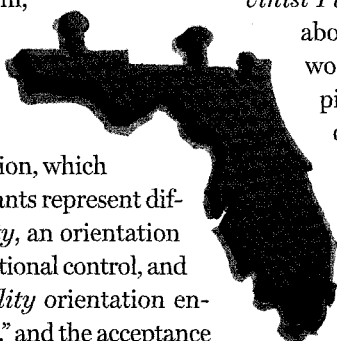
Lumping specific survey statements like these together into related groups, Nordhaus and Shellenberger arrived at what they call “social values trends,” such as “sexism,” “patriotism,” or “acceptance of flexible families.” But the real meaning of those trends was revealed only by plugging them into the “values matrix”—a four-quadrant plot with plenty of curving arrows to show direction, which is then overlaid onto voting data. The quadrants represent different worldviews. On the top lies *authority*, an orientation that values traditional family, religiosity, emotional control, and obedience. On the bottom, the *individuality* orientation encompasses risk-taking, “anomie-aimlessness,” and the acceptance of flexible families and personal choice. On the right side of the scale are values that celebrate *fulfillment*, such as civic engagement, ecological concern, and empathy. On the left, there’s a cluster of values representing the sense that life is a struggle for *survival*: acceptance of violence, a conviction that people get what they deserve in life, and civic apathy. These quadrants are not random: Shellenberger and Nordhaus developed them based on an assessment of how likely it was that holders of certain values also held other values, or “self-clustered.”

Over the past dozen years, the arrows have started to point

away from the fulfillment side of the scale, home to such values as gender parity and personal expression, to the survival quadrant, home to illiberal values such as sexism, fatalism, and a focus on “every man for himself.” Despite the increasing political power of the religious right, Environics found social values moving away from the authority end of the scale, with its emphasis on responsibility, duty, and tradition, to a more atomized, rage-filled outlook that values consumption, sexual permissiveness, and xenophobia. The trend was toward values in the individuality quadrant.

Any reader remotely familiar with American popular culture will immediately recognize the truth of this analysis. Ariel Levy recently grappled with one aspect of it in her book *Female Chauvinist Pigs: Women and the Rise of Raunch Culture*, writing about a hypersexualized culture that encourages its young women to be *Girls Gone Wild* and its young men to be piggish voyeurs. She describes a new anti-feminist vision of “liberation” that eschews both traditional constraints and any concern for gender equality. “Despite the rising power of Evangelical Christianity and the political right in the United States, this trend has only grown more extreme and more pervasive,” notes Levy. Indeed, the coarse, brawny, self-centered new philosophy could take as its exemplar television personality Bill O’Reilly, a man who, it was alleged in a sexual harassment lawsuit, is as interpersonally crude as he is politically rough and bullying. Americans, writes Environics founder Michael Adams in his 2005 book *American Backlash: The Untold Story of Social Change in the United States*, increasingly reject traditionalism and progressivism alike.

“While American politics becomes increasingly committed to a brand of conservatism that favors traditionalism, religiosity, and authority,” Adams writes, “the culture at large [is] becoming ever more attached to hedonism, thrill-seeking, and a ruth-



Rising blog, and Frank himself in a rebuttal to Bartels posted on his Web site, argue that Bartels has simply misidentified the white working class by focusing on whites whose incomes put them in the bottom third of the income distribution. Their preferred definition of the “working class” includes those who lack a four-year college degree, whatever their income. Gopoian and Whitehead point out that “only one-third of the Bartels voters were actively doing paid work,” a fact that undermines the “working” half of the working-class label. What’s more, “of those who were working, nearly half were under the age of 30,” a category that would include such non-obvious members as several 20-something Ivy League-educated members of the *Prospect*’s staff. Under the education definition, the GOP is, indeed, victorious among white working-

class voters by a margin of 23 points.

The education-based definition of the working class comes with problems of its own. Using the education criterion, almost two-thirds of white voters, and a significantly larger portion of the overall population, get defined as “working class,” arguably making the group too large to target politically in a meaningful way. The median household income of non-college-educated whites was \$47,500 in 2004, slightly above the national median. Consequently, the working-class category of those without four-year college degrees ends up comprising a rather miscellaneous group, lumping together people living below the poverty line with many reasonably well-off people. Indeed, college dropout and richest man in America Bill Gates is considered working class under this standard. One outlier

hardly disproves a theory, but according to the NES fully 29 percent of voters have some college education but no degree, slightly outnumbering those with a bachelor’s degree or more. The “some college” group was, according to 2004 exit polls, the educational cohort in which Bush achieved his best performance. Thus, the conservative inclinations of the educationally defined working class are largely attributable to the sentiments of its best-educated members.

To best identify which people are abandoning Democrats, one would ideally want to combine the metrics and assess the impact of education, income, and age on voting behavior as independent variables. But the three factors are tightly entwined together and immune from meaningful statistical analysis. Thus, we’re left to swim in a



less, Darwinist understanding of human competition." This behavior is particularly prevalent among the vast segment of American society that is not politically or civically engaged, and which usually fails to even vote. This has created what must be understood at the electoral level as a politics of backlash on the part of both Republican *and* Democratic voters: Voters of both parties, EnviroNics data show, have developed an increasingly moralistic politics as a reaction to the new cultural order.

**B**EHIND THE INCREASING ISOLATION AND FATALISM OF the American public there is also a new economic reality in which workers have fewer and fewer bonds of solidarity with each other, and no one to catch them should they fall. For Democratic strategists, that's also led to tough questions: What does it mean to be the party of the working class in an information-era economy where only eight percent of the private sector is in unions and 43 percent of the population work in office jobs? Who is still "working class" in a nation that has moved from having a labor force where half hadn't even finished high school in 1960 to one, in 2003, where only 10 percent of workers lacked a diploma or GED and close to 60 percent had at least some college education? And what can be expected from an electorate where, as in 2004, more voters had incomes greater than \$100,000 than less than \$15,000? Most importantly: How does the Democratic Party, whose most essential economic ideas were forged in the crucibles of the worst of times, develop an agenda for a post-scarcity society?

Liberal labor economist Stephen Rose, a one-time adviser to Clinton Labor Secretary Robert B. Reich, published an article last summer entitled "Talking About Social Class: Are the Economic Interests of the Majority of Americans with the Democratic Party?" on Ruy Teixeira's Emerging Democratic Majority Web site. He began by questioning the truth of the Democratic argument that the party represents the needs of the middle and

working classes. "We need to consider the alternative that the majority of people do not have *basic economic interests* to vote Democratic," he wrote.

This is an increasingly common complaint of the centrists as well. The Senate-focused centrist group Third Way had released a study showing that the economic tipping point for white voters to join the Republican ranks was a paltry \$23,700. Declaring it "an empirical question to determine the exact contours of America's current social class structure," Rose excluded the very young and the elderly, along with their life-stage income effects—roughly a third of the voting population—from his analysis. What remained was an economically robust core little affected by traditional Democratic economic appeals. Rose calculated average household incomes over a 15-year period for people between 26 and 59 years of age, the prime earning years, and found that the average annual family income for adults was a robust \$66,000 for males and \$61,000 for females.

These startling figures help explain why both Al Gore and John Kerry lost voters over age 30. Indeed, according to a 2004 Roper Poll for the American Institute of Certified Public Accountants, 93 percent of individuals earning more than \$50,000 described themselves as doing well—many as doing very well—as did 77 percent of those who earned just \$30,000 to \$40,000. That might not seem like a lot of money to the elite lawyers and consultants who run Democratic politics, but surveys repeatedly show that \$50,000 seems to be a threshold income dividing the economically insecure from their more prosperous countrymen, and the average household income in America is now, despite years of stagnant wages, \$56,644. People earning such wages are far from rich, but they are comfortable enough to look beyond their pocketbooks when they vote.

In many ways, this is good news about America and about the transformative impact of the long boom and civil rights and education revolutions, which have led to a labor force that is bet-

somewhat surprising pool of ignorance regarding the basic dynamics of the American electorate, falling back on somewhat pointless definitional disputes.

We do know, however, that insofar as talk of working-class conservatism leads people to imagine an army of impoverished Bush voters, the talk is misleading. Poor states tend to favor the GOP, but poor people do not; indeed, the poorer you are the more likely you are to vote Democratic, and this effect is stronger in the poorer "red" states than in the more prosperous "blue" ones. Conversely, among the white population at least, classic "working poor" families turn out to be rather thin on the ground. Only about a quarter of white voters are in the bottom third of the income distribution, and this group is dominated by retirees, other

nonworkers, and the young—many of whom are not likely to fit a traditional "working poor" profile. The working poor present an urgent policy problem, but not a potential electoral goldmine for the Democrats.

In whatever sense working-class conservatism is real, it is a phenomenon of middle-income—or slightly richer—whites, with attendant consequences for political strategy. People in this range don't benefit from Republican economic policies oriented toward tax cuts for the very rich, but neither have they felt the sting of Republican budget cuts that have been targeted at the truly poor. Consequently, winning their votes will probably require something beyond crass appeals to alleged economic self-interest, whether or not these are coupled with moves to the right on other issues.

Liberals can take little comfort from the news that they have trouble attracting the votes of essentially "typical" people—members of the majority racial group with roughly average incomes and levels of education—but the data suggest that the Democrats' problems are rather more banal than they've oft been made out to be. Winning over the typical member of the electorate, after all, is exactly what you would expect a successful presidential candidate to have done. Liberal heartache and conservative gloating over a more interesting alleged inversion of typical class politics, on the other hand, seems largely unwarranted. Poorer people vote for the Democrats, richer ones for the GOP, and the battle lines are drawn in the middle of the income spectrum, just where you'd expect.

— Matthew Yglesias

ter educated, more diverse, and more white-collar than it has ever been. The decline of the manufacturing sector and rise in professional and managerial posts, according to Rose's calculations, have left just 18 percent of men and seven percent of women part of the old-school "industrial proletariat," while 63 percent of the labor force in 2003 works in health care, education, office administration, or business services. Rose further calculated that just 23 percent of the prime-age population, including only 19 percent of men, come into contact with the government programs with which Democrats are most strongly associated during their prime adult years.

Today's average American "worker" is, in short, very much on his or her own—too prosperous to be eligible for most government assistance programs and, because of job laws that date back three quarters of a century, unable to unionize. Such isolation and atomization have not led to a new wave of social solidarity and economic populism, however. Instead, these changes have bred resentment toward those who do have outside aid, whether from government or from unions, and an escalating ethos of every man for himself. Against that ethos, voters have increasingly flocked to politicians who recognize that the combination of relative affluence and relative isolation has created an opening for cultural appeals.

**T**HE GROWING CONFLATION OF THE ECONOMIC AND THE cultural in the minds of voters has been a cause of great perplexity for thinkers who have long seen the two realms as distinct, and the cultural realm as the secondary concern of unserious men who don't know where their self-interest lies. Thomas Frank, in his 2005 *What's the Matter with Kansas?*, sketched a portrait of lower- and middle-income voters who, socially at odds with a liberal elite they accuse of moral dissipation, have forged an alliance with a conservative fiscal elite whose economic policies, paradoxically, do little to support their worldview or shore up families. Yet the broader social reality suggests that the focus of these middle-income voters on cultural traditionalism is not entirely separate from their economic aspirations. Social solidarity and even simple familial stability have become part of the package of private privileges available to the well-to-do. Behavioral surveys consistently show that, regardless of their political leanings, the better-off and better-educated live more traditional personal lives: They are more likely to marry, far less likely to divorce, less likely to have children outside of marriage, and more likely to remarry when they do divorce than their less accomplished peers. In addition, their kids are more likely to be academically successful and go to college, repeating the cycle.

The new Puritanism and cultural conservatism Frank described can also be seen as symptoms of how, in today's society, traditional values have become aspirational. Lower-income individuals simply live in a much more disrupted society, with higher divorce rates, more single moms, more abortions, and more interpersonal and interfamily strife, than do the middle- and upper-middle class people they want to be like. It should come as no surprise that the politics of reaction is strongest where there is most to react to. People in states like Massachusetts, for example, which has very high per capita incomes and

the lowest divorce rate in the country, are relatively unconcerned about gay marriage, while those in Southern states with much higher poverty, divorce, and single-parenthood rates feel the family to be threatened because family life is, in fact, much less stable in their communities. In such environments, where there are few paths to social solidarity and a great deal of social disruption, the church frequently steps into the breach, further exacerbating the fight.

American voters have taken shelter under the various wings of conservative traditionalism because there has been no one on the Democratic side in recent years to defend traditional, sensible middle-class values against the onslaught of the new nihilistic, macho, libertarian lawlessness unleashed by an economy that pits every man against his fellows. Yet in private conversations, progressives recognize that there is a need to do something about broad social changes that they, too, find objectionable. The American Environics data provide the critical missing link that should allow progressives to reach out more confidently to voters who share with them common values and concerns about the direction of the nation.

Incoming Democratic Virginia Governor Tim Kaine, a former Christian missionary in Latin America, learned the importance of cultural appeals early in his campaign. Kaine, Virginia's first Catholic governor and one of the two major Democratic electoral success stories of 2005, had worked as a court-appointed attorney for inmates on death row while a young attorney. This, he knew, would be a major strike against him in his bid to run a state whose citizens overwhelmingly support the death penalty, and in a contest against the state's attorney general, who would inevitably accuse him of being soft on crime and a bleeding-heart liberal.

In the spring of 2005 Kaine's pollster, Peter Brodnitz, of the polling firm Benenson Strategy Group, decided that the campaign needed to develop a strategy to handle such charges. It convened a focus group of white, conservative, religious voters, and explored different ways Kaine could reach out to them. The result was startling. Brodnitz found that once Kaine started talking about his religious background and explaining that his opposition to the death penalty grew out of his Catholic faith, not only did charges that he was weak on crime fail to stick, but he became inoculated against a host of related charges that typically plague and undermine the campaigns of Democratic candidates. "Once people understood the values system that the position grew out of, they understood that's he's not a liberal," says Brodnitz. "We couldn't even convince them he was a liberal once we'd done that."

Strategists who had been predicting Democratic success with a more values-based approach considered themselves vindicated. Virginia elected its second Democratic governor in a row, and its first one to survive opposition to the death penalty in an electoral fight. "People appreciate that I have a moral yardstick, and, even if they don't have the same one, they appreciate that I have one and it's not all about what a speechwriter puts in front of me or what a pollster tells me," the governor-elect told the *Prospect*. That moral yardstick may be just the tool Democrats need. **TAP**



# Poverty Is Back!

*Or at least it was supposed to be after Katrina, but five months on, even Democrats have dropped the subject. Here's how to revive it.*

BY EZRA KLEIN

IT WAS 1988, RONALD REAGAN'S FINAL STATE OF THE Union. The previous eight years had been good to the Gipper. The word "liberal" had been rendered radioactive, many items on the conservative wish list had been checked off, and Reagan himself had stomped two successive Democratic challengers. So you might think he would have been content to ride quietly into the sunset, a conservative legend retiring athwart a horse named History. But that night, Reagan stuck a final knife in the battered, bloodied carcass of liberalism. As was his wont, he did it with a grin: "My friends," he said. "Some years ago, the federal government declared war on poverty, and poverty won. [Laughter.] Today, the federal government has 59 major welfare programs and spends more than \$100 billion a year on them. What has all this money done?"

The jab was classic Reagan. Even now, the chuckles echo, preserved in the transcript as stage direction for future conservatives. But, in classically Reaganesque fashion, the line lacked a sort of historical, well, *accuracy*. The money had done much. The Great Society had not failed, its programs were not bureaucratic black holes whirling destructively through the inner city. While poverty had indeed weathered Lyndon Johnson's assault, it stumbled forth a withered shell of its former self. Where in 1959 it could claim a robust membership of 22.4 percent of Americans, by 1973 it was at an emaciated 11.1 percent. In 2004, it rested at 12.7 percent.

And there's good reason for that success. Since Lyndon Johnson, only the two Presidents Bush failed to substantively address poverty. Richard Nixon created Supplemental Security Income and considered guaranteeing a minimum yearly wage, Gerald Ford resurrected the Earned Income Tax Credit (EITC), Jimmy Carter passed the Comprehensive Employment and Training Administration Act, and even Ronald Reagan vastly expanded the EITC. To paraphrase Bush's favorite philosopher, the poor we have always had with us, even during Republican administrations.

But for conservatives, halting attempts to eradicate poverty slowly gave way to more successful efforts to vilify it. Conservative leaders kept a dark (literally and figuratively) picture of the underclass visible to the nation's white middle class. The faces of poverty became more sinister: the Willie Hortons and the Linda Taylors (Linda Taylor was Reagan's ubiquitous welfare queen

whose ill-gotten payouts totaled no more than \$8,000). These visages transformed a discussion over alleviating economic despair into a subtly racist wedge issue that resonated with white males. And so it was easier, after that, to suggest that, irrespective of the facts, the Great Society was a disaster, poverty the intractable affliction of an unsocialized underclass. Egghead liberals with more good intentions than common sense had surrendered to instinct and offered cash prizes to every unwed black mother able to bear a child, creating a culture of government dependency that fostered criminality, broken families, and joblessness.

Conservatives, deciding government involvement had created the problem, concluded that government withdrawal would solve it. But Clinton's ascension and Democratic sympathy for the poor wrecked that plan, and the two sides eventually compromised on a sort of political detente they termed welfare reform. Welfare reform, while about poor people, was never about poverty, it was about politics. It made the impoverished a little less galling to the better off, ensuring that the government's incentive structure didn't reward the out-of-work and thus offend the gainfully employed. Meanwhile, crime was plummeting and the streets, thanks to Bill Clinton's 1994 Crime Bill, were flooded with new police officers. Come the late 1990s, the poor were neither dangerous nor ideologically maddening. A handful of urban politicians continued pleading for inner-city aid, but with electoral power shifting away from metropolitan centers, few listened. After 9-11, no one did. Poor blacks were no longer the threat; poor browns had taken their place. And so America's impoverished became something new: forgotten.

AND THEN THE WATERS CAME. KATRINA'S IMAGES WASHED away the country's comfortable "see-no, hear-no, speak-no evil" approach to poverty. The middle class rediscovered the underclass, and that meant the political class had to address the excavation. George W. Bush even located his inner Lyndon Johnson for the occasion. Seventeen days after Katrina slammed into Louisiana, Bush said: "As all of us saw on television, there is also some deep, persistent poverty in this region as well. And that poverty has roots in a history of racial discrimination, which cut off generations from the opportunity of Amer-

ica. We have a duty to confront this poverty with bold action. So let us restore all that we have cherished from yesterday, and let us rise above the legacy of inequality.”

It might have been a moment for progressives to step forth. After all, Katrina offered an instant of true moral outrage at economic inequality, and no one thought Bush was serious about tackling racism or poverty himself. The trouble was, progressives were not ready to respond. The important question is why.

The obvious, and easiest, answer is that they lacked the power. But while electoral defeats help explain why Democrats couldn’t implement a comprehensive antipoverty strategy, they don’t account for why they couldn’t propose one. It’s not just that Democrats couldn’t bring policies onto the Senate floor. In this case, the backstage was empty too. The Democratic National Committee’s issues page never mentions the word “poverty.” Nor does Harry Reid’s, Nancy Pelosi’s, the House Democratic Caucus, nor the Senate Democratic Caucus. Not a single one identifies poverty as an issue the Democratic Party cares to solve. That’s largely because, politically, poverty hasn’t proven a winning issue for Democrats over the past couple of decades. Reagan and Gingrich brandished

a major, if not sole, medical component, and even quick spells of being uninsured at unlucky times can lead to bills stretching far beyond \$10,000 and create massive debt. Debt becomes a second major problem for the poor, who, lacking fallback savings, are particularly vulnerable to predatory lenders. Third, at base, the ebbs and flows of poverty tell a story of proportionally unequal income growth. The minimum wage is at a 56-year low compared to the average hourly wage, a depreciation that is also diminishing the worth of the earned income tax credit, and thus battering the total take-home pay of low-income workers.

But these problems, while tricky, are not intractable. What follows is a rough synthesis of progressive policy solutions to poverty, though not the only ones possible. Housing, unions, education all deserve more attention. In addition, there are endless permutations, variations, and alternatives to the proposals laid out here, but these offer, if nothing else, a starting point and model for that discussion.

#### ASSET-BUILDING

Assets are economic air bags. When a financial crunch comes, they inflate, softening the blow. Periods of unemployment can be endured while the wage earner searches for high-quality positions, lessening the chance he’ll accept a lower-paying or less secure job. And assets work to lift families out of poverty as well. They’re what send a child to private school or college, purchase a car so a parent can take a better job farther away, or provide the down payment on a home. Without them, these affirmative

steps often can’t happen and, if they do, they carry the threat and even promise of crushing, lasting debt.

Assets also offer the starkest illustration of the country’s economic inequities. When the measure is a family’s yearly pay, whites take home \$55,768, blacks net \$34,369, and Hispanics make \$34,262. Roughly divided, blacks and Hispanics make 61 percent of what whites make. Wealth, however, is another story: White households have an average \$88,651 in assets. Hispanics have \$7,932 and blacks \$5,988. A quick trip back to the calculator shows that Hispanics have nine percent as much wealth as whites, while blacks command a bit less than seven percent.

The most politically attractive form of asset building focuses on the most sympathetic of entitlement targets: children. In 2005, the UK passed Child Trust Funds (CTFs) into law. CTFs are tax-free bank accounts given to all children and seeded with 250 pounds (a bit less than \$450), more if the family is poorer, and yet more when the child turns seven. Families can then put up to 1,200 pounds a year into the tax-protected account, which can only be accessed by the child and only when he or she turns 18.

In the United States, the America Saving for Personal Investment, Retirement, and Education (ASPIRE) Act is a similar piece of legislation with a fair amount of support. But some progressives want to take it even further. One way would be Children’s Retirement Accounts. Every year until age six, the government would deposit \$1,000 dollars into a tax-free account. At 18, the money could be borrowed at advantageous rates for certain pre-approved purposes (down payment on a home, college tuition,

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### *Electoral defeats help explain why Democrats couldn’t implement an antipoverty strategy; they don’t account for why they couldn’t propose one.*

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it as a weapon and Clinton’s welfare reform almost tore the Democratic Party apart. So it’s little wonder that when the moment came to address it, the party was caught unprepared.

Nonetheless, the policy weapons available to combat poverty have multiplied. They’ve become smarter, subtler, and electorally safer. Think tanks and academic journals hum with innovative, politically savvy approaches to poverty that reward work and thrift, encourage education and ownership, and protect against fate’s nastier whims. These proposals have adeptly structured their incentives to fulfill the unfinished promise of welfare reform: Do right and you’ll do well. Where the 1996 bill succeeded primarily in cleansing the welfare rolls, these approaches make manifest the welfare reform consensus that work should serve as the path out of poverty. So far there has not been the political will forcing these solutions into the public debate. But that can change.

So where to begin? First, by understanding that, contrary to popular belief, there’s no straight line connecting the economic sins of the father to the impoverishment of the son. Seventy percent of those in poverty ascend out of it within three years, while only 12 percent remain for more than a decade. Unfortunately, it is also recurrent, with about half of those who escape dipping back beneath the poverty line within four years. Indeed, poverty is a primarily transitory condition anchored by a perpetually poor minority.

All of which is to say that there are different types of poverty, many causes, and countless avenues of approach. But a few overarching problems stick out: Almost half of all bankruptcies have



etc.); otherwise, it would continue to collect interest and form the start of retirement savings.

Similar proposals range from work bonds that would give low-income families participating in the workforce for five years \$5,000 toward a first home, to Individual Homestead Accounts that would incentivize various life “goalposts” via deposits into a savings account. The best of these plans also allow for emergency borrowing at low rates for certain purposes (transportation breakdowns, etc.), thus allowing the poor to avoid the predatory lending market that “serves” them.

In design, at least, all the asset programs achieve an essentially similar outcome: the creation of wealth that can be used to forge ahead in life. Since their uses are mostly restricted to investment, they aren’t very good airbags, but they’re powerful accelerators. That’s fine, because the next step is for progressives to protect all Americans from health disasters, ensuring that the most effective sort of airbags come standard with birth.

## HEALTH

You know the statistics. Over 45 million Americans are uninsured. Another 16 million are in the nebulous “underinsured” category. Add into the mix the fact that poor health strongly correlates with low incomes, and the massive, economically destabilizing influence of America’s patchwork, private health-care system crystallizes.

Right now, health costs are bankrupting big businesses, crushing small businesses, destabilizing the middle class, and generally wreaking economic havoc across society. These problems, again, are most likely to hit the poor who—unlikely to work for employers with affordable and comprehensive health plans—are hurled into the individual market, where insurance companies coldly recoup discounts offered to larger, richer, healthier pools by fleecing those lacking the numbers to bargain. Many others are simply priced out of health care altogether, particularly those unlucky enough to suffer from a preexisting condition. Inevitably, medical emergencies strike, the poor are rushed in for care, and they stagger out in debt.

On one level, the poor have Medicaid. Kind of. Medicaid, originally created to cover those unable to work, relies on a complex and anachronistic system of “categorical” eligibility that relies on certain shifting combinations of being old, ill, pregnant, a parent, and poor. Worse, the system is a federal-state partnership, no two states have the same eligibility rules, and many attempt to further complicate and toughen their standards in order to dissuade new and costly enrollees. So not only are many low-income folks ineligible, among those who are eligible, many don’t know how to or can’t follow up to enroll.

One option would be to simply fix Medicaid, junking categorical eligibility, tying eligibility to certain percentages of the poverty line, and instituting a shifting scale that allows for low-

cost buy-in as incomes rise. Lynn Etheredge and Judith Moore proposed just such a reform in 2003 in *Health Affairs*. But as each successive year of budget cuts shows, Medicaid is a deeply vulnerable program, particularly in periods of conservative control. That’s partly structural: With no dedicated revenue stream and a state-federal funding scheme, the instinct is for both Congress and states to slash the program and blame the other. In addition, little is easier than displaying budgetary restraint by bravely cutting health subsidies for the poor.

The answer to this vulnerability, as we’ve known since FDR, is universalizing programs so the middle class has a stake in their survival. The sharply different political fortunes of Medicaid and Medicare show that clearly. Most developed nations have government-run systems that provide better care at lower



cost, but after Clinton’s 1994 health-care reform debacle, there’s little appetite for a second run at any quasi-statist reconstruction. Nevertheless, there is a sort of consensus emerging in progressive circles that the Federal Employee Health Benefits Program (FEHBP) offers an attractive avenue for reform.

Widely admired (even on the right) for its efficiency and degree of choice, FEHBP is a collection of federally regulated private insurers who cover more than eight million federal employees. FEHBP could be opened to all Americans and businesses, with low-income individuals enjoying full or partial subsidization based on their relation to the poverty line. Health insurance, much like car insurance, would be made mandatory, and a variety of regulatory changes could refocus private insurers on quality and bringing technological and structural coherence to the system (likely modeled on the wildly successful Veterans Administration network). Widespread adoption of information technology could save more than \$80 billion, while a large enough pool would allow cost restraints to control premiums.

This approach rationalizes and guarantees health coverage for the poor, while ensuring the program’s strength and sustainability by investing the middle class, and even portions of the business class, in the progressive reform agenda. The Great So-

ciety may not have been a policy failure, but it eventually became a political albatross, partially (though not solely) due to the demographic specificity of its programs. There's no reason health coverage should be constructed with the same weakness.

#### MAKING WORK PAY (ENOUGH)

Of course, not every policy can be universal in its payouts, but every policy *can* be universal in its moral appeal. The lesson of welfare reform was not that Americans were cheap, but that they were work-oriented. Welfare reform cost more than mere welfare did, but the addition of work requirements was judged worth the expense. Voters decided that those unwilling to work were undeserving of subsidization, but agreed that all who sought and kept employment should find economic dignity within reach.

But work, increasingly, does not pay, or at least not enough. Wage growth has slowed radically, lagging far behind the increases in productivity of the past few years. During late 2004, inflation accelerated past wages, meaning salaries lost ground compared to costs. But even that understates the ever-disintegrating position of low-wage workers. While wage growth across the economy has been slight, there's been growth nonetheless. For the bottom ten percent of wage earners, however, salaries actually fell by ten percent between 1979 and 1999, while the proportion earning wages below the poverty line jumped from 23.7 percent to 26.8 percent.

Good wages, of course, are the key to a stable economic lifestyle. Progressives talk a lot about housing policy, but as Bruce Katz, formerly Henry Cisneros's chief of staff at the Department of Housing and Urban Development, told me, "the housing problems in this country are principally about the gap between wages and prices. ... We think of housing policy in very narrow, boxed terms. We need to redefine it to include income policy." That goes, basically, for everything. Food stamps are great, but unnecessary on an adequate salary. Few progressives will utter an unkind word about heating subsidies, but those would be similarly redundant if the working class routinely made enough to cover electricity costs in the first place. So, despite the need for programs targeting specific material deprivations, the broader solution is better wage supports.

The first step, then, is a serious increase in the minimum wage. This is key, and not just for the stereotypical pimply teenagers passing time before graduation: Only one in five minimum-wage workers is younger than 20 and the average minimum-wage worker uses that salary to provide a full 68 percent of his family's total income. Sure, *The Wall Street Journal* will cry buckets over such a blow to our delicate economy, but Clinton's 1996 minimum-wage boost from \$4.25 to the current \$5.15, which lifted pay for over 9.9 million workers, defied conservative warnings of widespread job decimation. Between 1996 and 2000, unemployment dropped from 5.6 percent to 4 percent. Of the current proposals drifting around Congress, the most likely advocates a three-year phase-in to a minimum wage of \$7.50. According to the Economic Policy Institute, hiking the minimum wage to \$7.25 would impact 7.7 million workers, 2.2 million fewer than Clinton did, making increased economic distortion highly unlikely.

But a one-time hike, while beneficial, will, due to inflation, rap-

idly decline in utility. For that reason, progressives should agitate for legislation making minimum wage increases automatic, though with provisions allowing congressional intervention during special economic circumstances. Common proposals here focus on inflation, which makes sense, but has proven politically difficult. More attractive may be tying the minimum wage to productivity, which has grown steadily (and, in recent years, rapidly) and seems a politically intuitive place to peg the wage—if workers are producing more, why shouldn't they be making more?

Raising the minimum wage would also help the Earned Income Tax Credit. The EITC is a tax-based wage subsidy for low-income workers that kicks in at varying strengths depending on family composition and salary level. By subsidizing low-wage work (in some cases, significantly so), it encourages employment, and has emerged as the most successful antipoverty program in the country. Because of the way the EITC is calculated, the declining minimum wage has sparked a decline in the value of most families' EITC. Lifting the minimum wage would strengthen it. The EITC's only problems, really, are mind-bogglingly complex eligibility formulas that contain a marriage penalty. Simplify the eligibility system, eliminate the marriage penalty, and increase the funding to ensure a decent wage. Work shouldn't just pay, it should pay *enough*.

**P**ROGRESSIVES BACKING THESE PROPOSALS SHOULD NOT fear they'll be stepping out of the political mainstream. Americans cherish the concept that all who work can succeed, which is why ballot initiatives to raise the minimum wage routinely return results in the high 70s and why the EITC was signed by Gerald Ford and expanded by Ronald Reagan. Similarly, on health care, nearly 80 percent agree that they'd accept higher taxes to ensure that all have easy access to a doctor. And asset programs are beginning to pick up wide and varied supporters, with everyone from Rick Santorum to Harold Ford jumping atop the ASPIRE bandwagon. Indeed, what's so alluring about these proposals is their political practicability. That Democrats haven't spent more time agitating for their comprehensive implementation is testament to how deeply welfare reform scarred the party.

Thankfully, some Democrats are taking up the conversation again, most notably John Edwards, who is constructing a political platform almost exclusively devoted to combating poverty and inequality. He's also engaged in the project—slightly scary for Democrats—of rearticulating the moral imperative of poverty eradication. When we spoke in early December, his policies were still in a formative stage but his passion for the impoverished Americans that Democrats have spent ten years avoiding was fully developed. "I've sat with these people and they don't think anyone is speaking for them. They don't even have a notion of what having a champion would be like. ... we can galvanize this country around important issues like this."

Poverty will not vanish on its own. Last time it faced down government, it was slashed in half. But the Vietnam War and the country's swing right simultaneously allowed it to escape and ensured that there'd be no quick pursuit. Forty years later, it's time for round two. And that means progressives had better start training. **TAP**



# Culture & Books

"Southern support provides  
Republicans a formidable  
[electoral] floor, but it may  
also impose on them a ceiling."

—PAGE 54



## FILM

### THE NEW NUANCE

*Black and white are out, and shades of gray are in. And one new documentary, Why We Fight, epitomizes the new trend powerfully.*

BY NOY THRUPKAEW

DEVASTATING AS IT WAS, THE LAST presidential election did bestow one blessing on progressives—it cleaned out the art house. The post-election period has swept away much of what had become tiresome or belligerent in political films—the breathless hagiographies of lefty figures or tales of the cackling villainy of the right. Gone are images of a brave, beatific John Kerry; gone, too, are case studies of Svengali Karl Rove, or shots of President Bush yukking it up with members of the House of Saud.

A recent crop of movies such as the feature film *Syriana*, and the documentaries

*Why We Fight* and *The Power of Nightmares* take on more abstract subjects—the web of collusion between big business and the government, the connections between politicians and military corporations, and the evolution of U.S. neoconservative and radical Islamist ideas, respectively. Films with such conceptual targets suffer from their own problems—they tend to provide either too little information or altogether too much. *Syriana* does a bit of the first and *The Power of Nightmares*, the second, with the result of making them important films without being great ones.

*Syriana* director Stephen Gaghan tan-

talizes viewers with hints of intrigue: His multiple storylines trace corruption between oil companies, oil-rich countries in the Gulf, and the CIA and other government agencies. But hints are all we really get. Gaghan cuts from narratives just as viewers are starting to grasp them, clouds the motives of his characters, and provides a bewildered anti-hero in the form of CIA operative Bob Barnes (played by George Clooney, rakish charm obscured by 40 pounds of bureaucratic belly). Bob is manipulated by his superiors, deceived, sent on missions that support American business interests rather than the stated ideals of building democracy. He shambles through the movie wearing an expression that seems to say, "What the hell is going on?"—a familiar question for Americans attempting to piece together our uncertain political realities, and grappling with the confusion that is *Syriana* itself.

While *Syriana* coyly refuses to draw together its conspiratorial strands, *The Power of Nightmares* lays out a whole wooly web. Highly praised in England and now seeking a U.S. distributor, Adam Curtis' three-part BBC documentary asserts the interdependence of neoconservative and radical Islamist thought—both are based on a culture of fear, Curtis argues. The film is noisily erudite, which saves it from the conspiracy looney bin, but only just. Curtis' most tendentious statement—that the notion of al-Qaeda as an international terror network is a bunch of bogeyman hocus-pocus cooked up by those other bogeymen, the neoconservatives—nearly squanders any goodwill the filmmaker has worked up through his illuminating examination of Cold War history and intellectual trends.

Both films represent extreme approaches to the epistemological conundrums of today: How do we know what's real when we've been lied to so many times? *Syriana* does a bit of performance

art with the question, fascinating and frustrating viewers in turn. *The Power of Nightmares* tells us to sit back and marvel as the truth is revealed. Luckily *Why We Fight*, which won the American Documentary Grand Jury prize at the Sundance film festival in 2005, splits the difference, arguing its points and calling for introspection in equal measure.

Named after Frank Capra's propaganda films, which were used to drum up popular support for World War II, *Why We Fight* examines the ways in which the business of making war serves political and economic interests in the United States—and perhaps betrays the ideals for which we claim to be fighting. *Why We Fight* spins on the graceful, ironic axis provided by its title, offering both definition and deconstruction, arguing a point and interrogating it simultaneously: Why do we fight?

*Why We Fight* draws its inspiration from the speech President Dwight D. Eisenhower gave in 1961 at the end of his second term. "We must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex," the five-star general said. "The potential for the disastrous rise of misplaced power exists and will persist." As a military man who had presided over the country's arms buildup, Eisenhower was uniquely poised to critique the very precedents he'd helped establish—and he sounded the warning bell loud and clear.

*Why We Fight* digs into the incestuous relationships between corporate, military, and governmental interests, tracing back 50 years of wartime history in an attempt to demonstrate how decisions about military engagement are increasingly motivated by "profit rather than public good," as director Eugene Jarecki asserted in a phone interview. Using archival footage, interviews with State Department and military experts, and sensitively rendered human portraits of soldiers, veterans, and everyday Iraqi and U.S. citizens, Jarecki weaves together a compelling critique of how military profits and deal-making form an unstable foundation for our economic and political system.

Jarecki builds a damning case. He

crunches the numbers on the millions of dollars in war contracts that corporations like Raytheon and Halliburton have won for supplying arms and reconstruction work. Jarecki even drops by a "defense show" where contractors peddle their wares. "Collusion is our business," says one sales rep, looking like the world's original charlatan as he performs card tricks. "Yes, collusion with the military." The camera pulls back to reveal that the rep works for Kellogg, Brown and Root—the engineering and construction branch of Vice President Dick Cheney's former employer, Halliburton.

*Why We Fight* spells out congressional complicity—war contracts translate into jobs for constituents, which then translate into votes. The film also paints an all-encompassing portrait of the ways the United States has become dependent on the business of making war, and explores how this dependence reinforces economic inequalities.

Within this system, a disproportionate burden of guilt falls on those at the low end of the system. Jarecki profiles a factory worker who is grateful for her job but who mourns, "I'd rather be making toys for Santa," and soldiers who take false solace in the thought that their "precision-guided systems" (which are actually highly error-prone) will result in fewer civilian casualties. These portraits make a powerful contrast to Jarecki's research on the state and federal officials who reap political support and millions of dollars from their relationships with military corporations and contractors. But refreshingly, *Why We Fight* doesn't stoop to conspiratorial views. As former Pentagon official Karen Kwiatkowski notes, the military-industrial complex doesn't cause war, but fosters "a willingness to go to war"—and a willingness to lie to the American public to get us there.

Several elegant story arcs demonstrate the human costs of our militarized social and economic systems, including that of Wilton Sekzer, a Vietnam War vet who lost a son in the World Trade Center attacks. Although during his service Sekzer had lost faith in the Southeast Asian conflict, he initially clings to the notion that the war in Iraq will avenge his son's death. But

when the supposed al-Qaeda-Saddam connection disappears in a puff of smoke, Sekzer is enraged, despairing, consumed by doubt—and more determined than ever to examine his own motivations and those of his country in fighting wars.

Jarecki also speaks to everyday Iraqis who first greeted the occupation with hope, then began to condemn it. He talks to a young American man, bereft of family and financial support who joins the U.S. armed forces, and he speaks to scores of Americans who mull over the question, why do we fight? "Freedom!" blurt out many respondents before they begin to puzzle it over. "Well ..." they say, and then a multitude of answers begin to tumble out: *Money; Oil; To protect ourselves; We really shouldn't; I don't know.* For the young recruit, to have a home, education, and the financial security he can't get elsewhere. For Sekzer, out of agonized loss and a need for vengeance. For the soldiers, to do a job well, to strike a blow for the downtrodden, to live out the ideals of this country. For state officials seeking jobs and approval from constituents, it means survival; for those at the highest echelons of power, it means financial gain. We all buy in to this system, Jarecki seems to say—but some pay with their lives, others with their souls.

For all its strongly argued condemnation of those at the top, *Why We Fight* is acutely interested in moments of doubt and second-guessing—in Sekzer's dawning realization of the tenuousness of the al-Qaeda-Iraq connection, in Eisenhower's own transition from a military man to an advocate for peace, in U.S. citizens' grappling with the incongruence between our rhetorical ideals and our economic and geopolitical realities. Unlike *Syriana's* solipsistic mirroring of our pessimism and confusion or *The Power of Nightmares's* reductive certitude, *Why We Fight* hovers between argument and the inquiry embedded in its title. It provides the perfect place from which we can contemplate what many of the brave individuals in the film struggle with—the fine line between knowing and not knowing what is right and what may be terribly wrong. **TAP**

*Noy Thrupkaew is a Prospect senior correspondent.*



## BOOKS

## HOW THE SOUTH ROSE AGAIN

**WHEN AFFIRMATIVE ACTION WAS WHITE: AN UNTOLD HISTORY OF RACIAL INEQUALITY IN TWENTIETH-CENTURY AMERICA**

BY IRA KATZNELSON W.W. Norton, 238 pages, \$25.95

**THE WHITE HOUSE LOOKS SOUTH** BY WILLIAM E. LEUCHTENBURG

Louisiana State University Press, 668 pages, \$45.00

**WHITE FLIGHT: ATLANTA AND THE MAKING OF MODERN CONSERVATISM**

BY KEVIN M. KRUSE Princeton University Press, 325 pages, \$35.00

**THE END OF SOUTHERN EXCEPTIONALISM: CLASS, RACE, AND PARTISAN CHANGE IN THE POSTWAR SOUTH** BY BYRON E. SHAFER AND RICHARD

JOHNSTON Harvard University Press, 240 pages, \$39.95

BY RONALD BROWNSTEIN

**N**OTHING HAS CONTRIBUTED more to the conservative ascendancy in American politics than the realignment of the South from solidly Democratic to reliably Republican. The South now furnishes the decisive votes for Republican control of the House of Representatives, the Senate, and the White House. Outside the South, Democrats still hold the advantage in the competition on all three fronts. But the Republican dominance of the South has grown so pronounced that it swamps the Democratic strengths elsewhere and provides the GOP with its margin of majority for both Congress and the White House.

Consider the Senate. In the 11 states of the old Confederacy plus Oklahoma and Kentucky—the generally accepted political definition of the South—Republicans hold 22 of the 26 Senate seats. In the rest of the country, Democrats control seven more Senate seats than the GOP. But that's not nearly enough to offset the lopsided Republican advantage in the South.

The same is true in the House. Outside the South, Democrats hold a 152-140 edge in House seats. But the GOP's 40-seat cushion in the South ensures that Illinois Republican Denny Hastert holds the speaker's gavel, not San Francisco Democrat Nancy Pelosi.

The imbalance is even more pronounced in the race for the White House. In 2000, Al Gore won just over 70 percent of the Electoral College votes at stake

outside the South. But George W. Bush narrowly won the White House because he swept all 165 Electoral College votes in the 13 southern states. Four years later, John Kerry won 68 percent of the Electoral College votes outside the South. But Bush won because he again swept the 13 Southern states—this time worth 168 Electoral College votes after population growth measured in the 2000 Census.

Democrats might someday cobble together a congressional or presidential majority with such limited southern support; Republicans, after all, frequently did precisely that from the 1880s to the 1920s. But it is never easy to overcome such a preponderant advantage in one region, as Republicans learned when the "solid-South" underpinned Democratic dominance in Washington for nearly four decades after the New Deal. One of the clearest lessons of the past decade is that Democrats will always face an uphill climb to power if they can't perform at least somewhat better in the South.

**L**IKE ALL OTHER ASPECTS OF SOUTHERN life, southern politics beguiles writers. The South has probably inspired more classic works of political science and political history (think V.O. Key Jr. or C. Vann Woodward) than any other region, not to mention the greatest novel ever written about American politics, Robert Penn Warren's *All The King's Men*. The fascination with the South is, in one

sense, odd because for almost a full century after the Civil War, little ostensibly changed in a southern political system built around the twin exclusion of African Americans and Republicans. But novelists and historians alike have found irresistible material in the sweat and bombast, the intransigence and fear that characterized southern politics under segregation, and the electoral earthquakes that have reshaped the region since.

Three new books join this lengthy shelf. Each approaches the story from a distinctive angle. *The White House Looks South* by the respected historian (and adopted Southerner) William E. Leuchtenburg, is a conversational and discursive exploration of how Democratic Presidents Franklin Roosevelt, Harry Truman, and Lyndon Johnson managed, mollified, submitted to, and confronted the South. This is more a meditation on these presidents than a systematic analysis of them. Leuchtenburg quotes other writers too much and presents too few specifics, yet his command of this history is so strong, and the story itself so powerful, that this often-meandering book courses at times with propulsive power.

*The End of Southern Exceptionalism* by Byron E. Shafer and Richard Johnston examines this history literally by the numbers. It is a work of hard-core quantitative political science that advances several provocative arguments but will probably put off anyone who isn't eager to decipher discussions about a "multinomial logistic regression converted to a probability distribution."

In contrast, historian Kevin M. Kruse illuminates the story at ground level. In *White Flight*, a study of white resistance to desegregation in Atlanta, Kruse produces a panoramic and engaging portrayal of the struggle over desegregation in the self-styled "city too busy to hate."

Each of these three books revolves around the same question: What broke the Democrats' hold on a South once so solid that Roosevelt never lost a southern state in four presidential campaigns, and Republicans, still bearing the cross of the Civil War, failed to elect a single U.S. senator from the region from 1903 through 1961?

Almost all versions of the disaffected

South story focus on race. In this telling, the critical event sundering the South from the Democratic Party is the white backlash against the passage of the Civil Rights and Voting Rights Acts under Johnson in the 1960s (anticipated, to some extent, by the 1948 Dixiecrat revolt against Harry Truman's first tentative steps toward civil rights). As Leuchtenburg recounts, Johnson famously lamented upon signing the Civil Rights Act that he had just "delivered the South to the Republican Party for a long time to come."

With revisionist zeal, Shafer and Johnston want to recast this picture. They don't deny that white resistance to civil rights influenced the South's realignment, but they argue that race was less important than class in fueling the GOP's

results, they ignore the flesh-and-blood reality of decades of Republican presidential and state-level campaigns that signaled sympathy for white Southerners resisting the civil-rights revolution. No one watching Barry Goldwater in 1964 or Ronald Reagan in 1980 could conclude that those candidates believed tax cuts alone would break the Democratic hold on the South.

Even the data cited by Shafer and Johnston show that from the 1960s through the 1990s, in races for national office, Republicans ran best among the Southerners most resistant to government action to promote racial equity. And the authors ignore the extent to which, during the critical period, whites may have been more receptive to small-government

clusion of Shafer and Johnson: He sees the small-government arguments of modern conservatism almost entirely as an expression of white antipathy to equal rights. Whites, especially in the South, have retreated from support for activist government precisely to the extent they believe it can benefit blacks, he argues. At "the start of the twenty-first century," Kruse writes, "the politics created by white flight are not simply still present; they are predominant."

It's true that the South's states-rights ideology took root to defend first slavery and then segregation from federal interference. During the Depression era, conservative Southerners resisted some of Roosevelt's key economic initiatives and fought unions partly because they worried they might empower African Americans to confront white supremacy more forcefully. And through the modern era, racial resentments have sometimes contributed to the success of anti-tax and anti-spending arguments, as Greenberg found in Macomb County.

But like Shafer and Johnston, Kruse pushes a valid argument too far. Race alone has never entirely explained the hostility to government activism from Southern conservatives, as Leuchtenburg shows in his compelling account of Roosevelt's strained relationship with the region. To mollify the South, Roosevelt mostly shunned the growing demands by blacks for greater racial equality. And, as will be discussed more below, he even permitted southerners to structure many of his economic programs in ways that perpetuated racial inequality.

But while Roosevelt's deference on race brought him support from southern Democrats early in his presidency for key initiatives such as Social Security, tension steadily grew over his vision of an activist government working to boost living standards through public investment and support for unionization. Over time, many southern Democrats increasingly regarded that agenda as a threat to the low-wage, low-tax, low-public-service traditions that benefited the region's economic elites and imposed as great a cost on low-income whites as blacks.

As far back as 1938, Roosevelt deliv-

### ***Southern Democrats increasingly regarded FDR's agenda as a threat to the low-wage, low-tax traditions that benefited the region's economic elites.***

advance. The growth after World War II of a southern white middle-class open to Republican small-government arguments, they insist, drove the GOP's gains across the region. "The engine of partisan change in the postwar South was, first and foremost, economic development and an associated politics of social class," they write.

Their principal evidence for this conclusion consists of polling results from the University of Michigan's American National Election Studies that found Republicans are advancing faster in the South among affluent than lower-income whites. The authors also show that from the 1960s on, Republicans ran more strongly than Democrats among Southerners who viewed government more as problem than solution.

Shafer and Johnston are rigorous and dogged in their use of polling results and imaginative in their attempts to find data that can empirically test conventional assumptions; for those who can stomach the gristle of regression analyses, there's much to chew on in this book. But the authors protest too much. By telling their story solely through polling

arguments because they believed that public programs disproportionately benefited minorities—the dynamic that pollster Stanley B. Greenberg mapped in his path-breaking study of Macomb County, Michigan, during the early 1980s. Shafer and Johnston are right to see more than race alone in the South's political transformation. But at their most dogmatic, the two seem to be arguing that the rise of air conditioning (because it sped the South's economic development) played a larger role in realigning the region than the decline of segregation.

Kruse's surprisingly engaging book is a useful corrective, though it pushes to the other extreme in its conclusions. In other hands this might have been a myopic case study. But Kruse brings vividly to life the Atlanta of the 1950s and 1960s, taking readers from the mayor's office, to black churches and elite corporate boardrooms, to the block-by-block, sometimes house-to-house, battle over racial transition in blue-collar neighborhoods, as the city grappled with integration in housing, schools, public transportation, hotels, and restaurants.

Kruse inverts the economics-first con-



ered a combative speech in Gainesville, Georgia, condemning the South's history of minimal public services and low-wage employment. Roosevelt's words thrilled southern liberals who saw an energetic government as the key both to economically developing the region and building an enduring majority in local politics around class, not racial, interests. But many in the conservative mainstream of southern Democratic leadership denounced Roosevelt's agenda as a threat to free enterprise and personal liberty. That conflict anticipated later developments. On the one hand, the vision that FDR offered would later inspire successful post-integration southern Democrats like Bill Clinton and Jim Hunt. And, on the other, the anti-Roosevelt Democrats made the same arguments that would help elect Republicans across the South generations later. By 1944, Leuchtenburg writes, Roosevelt faced such widespread resistance to his fourth nomination from southern Democrats that Texas Democratic Sen. "Pappy" Lee O'Daniel "called the president a greater menace than Hitler."

That account of Roosevelt's struggles with the South (despite his racial deference) highlights one of most consistent strengths across these three books: Each shows, in a different way, the breadth of the disagreements that divided the region from the Democrats. Reading through these works, the wonder isn't that Democrats have lost their preeminence in the South, but rather that it took so long. Leuchtenburg's verdict on the cause of the divorce seems the most balanced: Race played the dominant role in the critical period, but differences over taxes, spending, and the overall reach of government—sometimes intersecting with race, at other points operating independently—exacerbated the tension.

In the years since the civil-rights era, race has receded as a direct factor in southern campaigns. And while Republican anti-tax arguments still strike a powerful chord, centrist Democrats (especially in governors' races) have made progress at rebuilding a constituency for an activist government that promotes economic development and improves the

public schools. Neither race nor the role of government is the largest hurdle now facing southern Democrats. Rather their principal problem is the GOP's overwhelming strength with religiously devout voters (especially white evangelical Protestants) who believe Democrats don't represent their views on social issues and national security.

That trend is beyond the historical period these three books examine. As a result, none sheds much light on the contemporary political competition in the South (though Kruse probably comes closest). Yet, in the fourth and most provocative work considered here, Ira Katznelson passionately argues that the history of the South's long struggle with race still raises questions urgent for the nation to address today.

**K**ATZNELSON'S SHORT BUT POWERFUL *When Affirmative Action Was White* finds a fresh vein in this well-mined terrain: the cost to African Americans of the policies that the Roosevelt and Truman administrations adopted to conciliate southern Democrats.

According to Katznelson, Roosevelt's deference to the South in shaping the New Deal—compounded by similar decisions under Truman—represented a critical "branching moment" separating the economic fortunes of whites and blacks. Katznelson acknowledges that programs from Social Security to the GI Bill greatly benefited blacks who participated in them. But he charges that Roosevelt and Truman, to win votes for their domestic agenda, allowed southern legislators to structure the key economic programs in ways that denied blacks their fair share of benefits. By uplifting whites while largely excluding blacks, he concludes, the federal government under Roosevelt and Truman practiced a form of affirmative action for whites and permanently widened the socioeconomic gap between the races.

The initial Social Security legislation, for instance, excluded agricultural and domestic workers—a decision that denied benefits to 65 percent of blacks nationwide and as much as 80 percent in some southern states. (That decision, not

reversed until nearly two decades later, tilted the legislation so baldly against African Americans that the National Association for the Advancement of Colored People testified against it.)

In other cases, Katznelson writes, southern Democrats won decentralized control of New Deal training and relief programs that allowed local officials to blatantly discriminate against blacks. While whites benefited from military training in economically valuable skills during World War II, racial segregation in the armed forces denied comparable opportunities to African Americans.

The postwar GI Bill compounded the inequity. Because a much smaller percentage of blacks than whites were admitted to the military during World War II, fewer qualified for the wide-ranging benefits from the legislation (which Katznelson says flatly, "created middle-class America"). And even many black veterans were denied benefits because they could use them only at overcrowded black colleges and training institutions that lacked enough space to meet the demand. In all, more than twice as large a share of white veterans as black attended college through the GI Bill.

Katznelson presents this argument with the barely contained ferocity of a prosecutor. He finds stronger evidence of southern fingerprints on some policies (labor law) than on others (Social Security). At times this impassioned and cogent book is almost too taut: Katznelson might have slowed down long enough to present more supporting evidence for his individual allegations. And like all prosecutors, he slights exculpatory evidence. In *A New Deal for Blacks*, the most comprehensive survey of Roosevelt's impact on African Americans, Harvard Sitkoff notes that despite "the continuity of discrimination and segregation," the federal government under Roosevelt "aided blacks to an unprecedented extent both substantively and symbolically."

But the evidence Katznelson marshals, on most fronts, is original and convincing. And his conclusion is challenging: This history, he argues, should justify "even more extensive affirmative action" programs than exist today.

Given the intertwined attitudes about race and government that Kruse explores, even sympathetic readers may question the political wisdom of proposing new government benefits overtly targeted to minorities (Katznelson, at one point, praises race-neutral initiatives to uplift the poor). But any politician who wants to make a case for reviving race-specific aid to blacks isn't likely to find a stronger brief than the one Katznelson presents here.

**T**HE MOST GRIPPING SECTIONS IN Leuchtenburg explore the personal conflicts within Truman and Johnson as they confronted segregation. Raised on the border of the old South (Johnson in the Texas Hill Country, Truman in Missouri), both the descendents of slaveholders, each man shared much of the segregationists' racial prejudices. Yet each fundamentally believed that America's ideals demanded equal rights for blacks. And each believed the South would never fully rejoin American life so long as it wore the shackles of segregation.

In many ways the 40 years since the passage of the landmark civil-rights laws have fulfilled their vision. Since the fall of segregation, the South has become more affluent and more diverse both socially (with steady in-migration from other regions) and economically (with enormous investment from domestic and international companies). It looks more like America than it did a generation ago, and its political leaders no longer carry an insurmountable stigma beyond its borders. For the full century from the Civil War until the passage of the Civil Rights Act, no southerner won the presidency (except, arguably, Virginia-born Woodrow Wilson, who made his name as president of Princeton and governor of New Jersey). Since segregation fell, southerners have won six of the 11 presidential elections (even excluding transplanted Yankee George H.W. Bush).

Yet in other respects the South remains a place apart, especially in American politics. Religion infuses political life there more pervasively than anywhere else; anti-government, anti-tax messages resonate more powerfully than in almost

any other part of the country, and so do hawkish positions on national security.

The singular qualities of the South present Republicans with a challenge Roosevelt, Truman, and Johnson would recognize. It's no coincidence that Republicans have lost ground among socially liberal voters along the coasts and in the population centers of the upper Midwest as their agenda and message have tilted more toward the uncompromising priorities of southern conservatives. Overwhelming southern support provides Republicans a formidable floor in the competition between the parties, but it

may also impose on them a ceiling. Indeed, the South's political transformation has left both parties in a precarious position. Democrats are unlikely to regain the upper hand in American politics unless they solve at least some of the South's interlocking riddles of race, class, and culture. But integrating the South into a stable majority coalition may prove as difficult for Republicans in the new century as it was for Democrats in the last. **TAP**

*Ronald Brownstein is a national political correspondent and columnist for the Los Angeles Times.*

## BOOKS

# WHEN THE "FLAT WORLD" SHAKES

**END OF THE LINE: THE RISE AND COMING FALL OF THE GLOBAL CORPORATION** BY BARRY C. LYNN Doubleday, 312 pages, \$26.00

BY MARK LEVINSON

**T**HE END OF THE LINE IS ABOUT the consequences of the "taking apart" of the modern corporation—the outsourcing of operations to the far corners of the world by companies such as Wal-Mart, Dell, Cisco, General Electric, and General Motors. Most economists and American journalists see the role of these companies in the creation of an integrated global economy—what Thomas L. Friedman calls a "flat world"—as generally positive and, in any event, inexorable. Barry Lynn sees the making of disaster.

What makes Lynn's book distinctive is that his critique is not based on the subsistence wages, lack of human rights, and appalling health and safety conditions in many workplaces around the world. Lynn challenges the dominant globalization perspective on its own terms and makes a compelling case that the Achilles heel of the global economy is precisely its most successful organizations—the ones that have been most relentless about reducing costs, mastering logistics, and outsourcing every conceivable operation.

As the former executive editor of *Global Business*, Lynn comes to the subject with superb journalistic skills, and

he makes a complicated story understandable. Nations no longer exchange finished products; that conception of trade is simply archaic. Instead, there is a single global industrial system marked by extreme specialization. The cutting-edge companies that have led this process, Lynn argues, may seem to be strong and flexible, but they are actually more rigid and fragile than ever before.

All the corporations that Lynn writes about either put together or sell things produced by others. Cisco brags about never touching many of the products it sells. Dell's assembly plants are fed by some 300 suppliers providing some 4,500 parts from Tijuana to Taiwan, from Malaysia to Korea. This production model doesn't only apply to electronics firms. Lynn describes how once a competitor in any industrial sector—auto parts, aerospace, computers, toys, apparel—turns to cheap outside suppliers, the resulting price pressures will usually force rivals to follow. These highly specialized production networks, however, greatly increase the risk of cascading economic breakdown.

As an example of what can go wrong, Lynn cites an earthquake that occurred in Taiwan in September 1999. Taiwan is



the world's number one source of made-to-order advanced semiconductors—the microchips that are embedded in iPods, DVD players, cell phones, and countless other electronic devices. Although the quake did not seriously damage the factories that manufacture such chips, it severely disrupted power and transportation systems in Taiwan for a week. Within days, factories were closing in California and Texas. Dell and Hewlett-Packard began shutting down assembly lines and laying off workers because their supply of semiconductor chips was cut off.

Dell executives weren't aware that key parts of its computers depended on a single supplier in Taiwan, according to Lynn, because Dell doesn't actually make computers. Instead, it manages the supply chain made up of the hundreds of companies that manufacture the thousands of parts that go into its computers. While Dell is adept at directing the logistics, no one at the company really knows what's going on from the top to the bottom of the supply chain. There was no backup plan. No other factories could produce those chips in the short term. A bigger earthquake could have had devastating consequences.

The potential economic peril from a major terrorist strike or flu pandemic is obvious. On September 12, 2001, much of the manufacturing activity in the United States came to a halt because companies were cut off from their supplies after the government closed U.S. borders and grounded all flights in the wake of the attacks on the World Trade Center and the Pentagon. "We now live in a world," according to Lynn, "in which a conflict on the Korean peninsula or between India and Pakistan would create great havoc in the heart of the American economy."

Cheerleaders of globalization often assume that this hyperdependence will lead to increased support for democratization. But what if it works the other way? As Lynn says: "[T]he depth of our economic integration with China today means that any social upheaval there would hit our economy almost as immediately as it hits the economy of China. No longer would we be mere onlookers, as we were during the Tiananmen mas-

sacre in 1989. If anything, to protect our supply lines, we may find ourselves co-operating with Beijing hard-liners to suppress the will of the Chinese people."

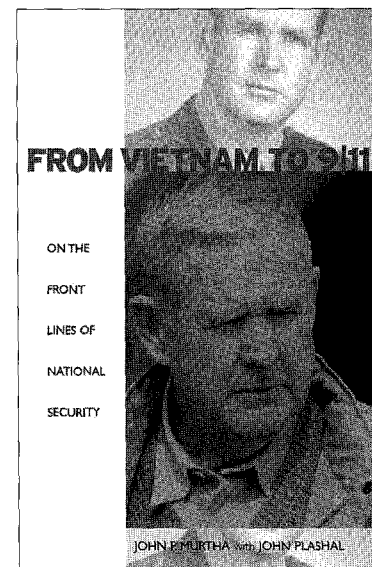
Lynn's message is that just as the government needs to protect Americans from threats to our physical security, so it ought to take steps to protect our economic security. He writes that the "hyper-specialized and hyper-rigid production system" now emerging is "the natural outcome of what happens when globalization and outsourcing are combined with an entire lack of regulation by governments."

Given the barriers to multilateral agreement on these issues, Lynn limits his recommendations to reforms that the United States can make on its own. For Lynn the fragile production system requires policies that would "compartmentalize" production. Thus he calls for more aggressive use of antitrust power to ensure that no global firm controls more than a quarter of any American market; limiting how much of a product, component, or service importers can obtain from any one nation; requiring firms to double- or triple-source all components from suppliers in two or more nations; requiring companies to disclose their outsourcing relationships; and ensuring workers the right to organize unions.

Lynn's book is not without its problems. The villain of his story is the Clinton administration, which gets the most blame for turning corporations loose on the world, as if there weren't a more powerful alliance of corporate and political leaders in favor of free trade extending across the two major parties. But this should not distract from Lynn's achievement. If you want to feel good about globalization, read Friedman. If you want a report on the underside of globalization, read William Greider. If you want to understand how the dominant business model of our time contains the seeds of future crises, read Lynn. **TAP**

*Mark Levinson is the chief economist at UNITE HERE, a union of 450,000 workers in the apparel, textile, laundry, hotel, gaming, and food service industries. He is also the book review editor at Dissent magazine.*

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# Among the Bear-Baiters

BY SEAN WILENTZ

I'M WRITING THIS WHILE ENJOYING ONE OF THE most satisfying moments of my day, one of the most satisfying moments known to humanity. It's morning. I prefer to take a sip, even two, from my favorite old oversized coffee cup, with a glazed blue-checker band,

before firing up. My lighter has been acting up lately, but the pack of Winstons is nearly full—and, hooray, the flame doesn't sputter as it did last night. The deep pull, after hours of sleeping abstinence, is ambrosial. The large box of Nicorette, planted on the desk corner at New Year's, doesn't have a chance, not today.

It used to be said that tobacco smoking was a habit. These days, the plainer word is addiction. But is smoking also a hobby? Most addictions start out as hobbies. And don't people refer loosely to their hobbies as addictions? Like: The guy's a real computer-game addict or she's hooked on shopping. There once was a time when we smokers freely indulged ourselves anywhere we pleased. But then, on or around July 1987, human nature changed. The hobbydom of tobacco died, or to be more exact, was banned, at least in respectable company. If it can be likened to a sport, smoking in America went from being baseball, the national pastime, to become something like bear-baiting or cock-fighting—a quaint, vicious, shameful activity practiced secretly by knots of marginals, their sanity highly questionable.

Yes, talking up the good old days of smoking is golden-age mythologizing. Things were never that wonderful. Tobacco, a nasty weed to harvest, lay behind the worst mass exploitation implanted in the American colonies, of white indentured servants as well as African slaves, spurred by indifference among royal profiteers in the mother country. In 1691, a group of Vir-

ginians dispatched one Dr. James Blair to London to raise funds for a new college, which would train men for the ministry. Blair met with some success until he called upon the royal treasury commissioner, Sir Edward Seymour, who appears to have been the R.J. Reynolds of his day. The suppliant Blair said that the good people of Virginia, just like those of England, had souls to save. "Souls!" Seymour shot back. "Damn your souls. Grow tobacco." Blair eventually raised his endowment (and established the College of William and Mary), but the souls of Virginians remained wrapped in tobacco leaves for centuries to come.

Still, it wasn't all desolation. In its heyday, between roughly 1880 and 1960, cigarette smoking brought a democratic kind of pleasure on so many fronts that, more than a hobby, it became a way of life. Yet, although it was a mass phenomenon, smoking permitted infinite personal idiosyncrasies, a very American kind of thing. Were you one of those people who tapped your smokes on the table (or, if need be, the back of your free hand) before lighting up? Did you hold your smoke in the standard American fashion, between index and

middle finger, or did you go for the older, European style of pinching between index finger and thumb—a style that could connote a certain sinister bent (all the movie Nazis smoked that way)? I could go on.

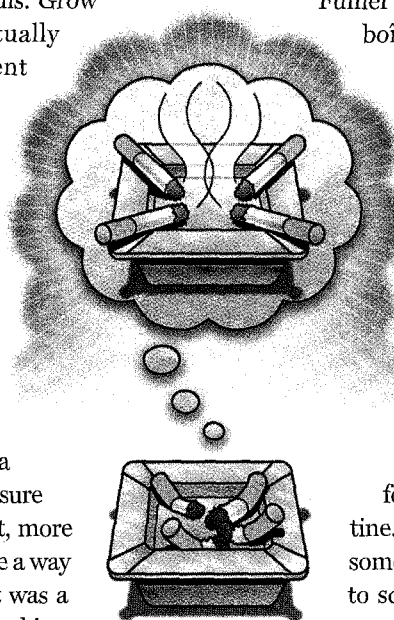
But here, beside the ashtray, sits a new book called *No Smoking*, published by a firm new to me, Assouline, lavishly packaged (like a box of Benson & Hedges, or maybe Dunhills), filled with old photos of celebrity and rank-and-file smokers alike, and graced with a superb long preface by my friend Luc Sante. Luc writes as an ex-smoker, which gives his deeply felt remembrance of cigarettes past a certain elegiac grace.

I have no such happy luxury. For the moment, I am still a bear-baiter, a deviant idiot, confined to indulging in my study (where a smoke remover hums to protect all others from the side-stream), or in stigmatized public areas where I exchange grim pleasantries with the other bear-baiters. With the pubs of Ireland now smoke free, it may not be long before even the French get smart. Then there will be no place left. Imagine: "Défense de Fumer" signs in every bistro and boîte de nuit.

I'm determined to kick the addiction before the French nation does. Sante has shown me what no nauseating photos of carbonized lungs managed to—a way to feel and remember and even taste the great satisfaction without shame, the loathing of which, in a perverse way, has only fed my fondness for nicotine. It would help, though, if someone could figure out how to squeeze some democratic romance out of slicing open those infernal plastic cubes of Nicorette. Luc? Assouline?

Where there's a will, there's a way. **TAI**

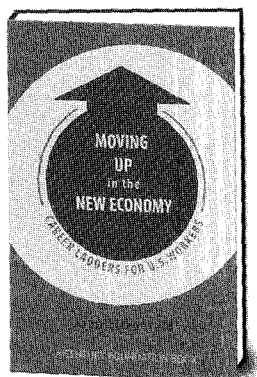
*Sean Wilentz is the author most recently of The Rise of American Democracy: Jefferson to Lincoln.*





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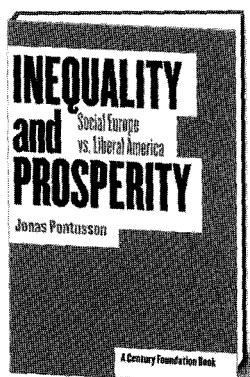
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